

DAILY REPORT

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U.S. ATTEMPTS TO STEP UP CONTENTION WITH USSR

HK240906 Beijing LIAOWANG in Chinese No 12, 20 Dec 82 p 16

[Report by Wu Jin [0702 2516]: "The United States Has Not Realized Its Wish of Re-building Its Strength"]

[Text] While the Soviet Union is in a difficult international situation, the Reagan administration's basic foreign policy is to rebuild the strength of the United States and seize the chance to step up its contention with the Soviet Union. This shows that the United States and the Soviet Union are engaged in acute global contention and that the international situation is unstable. However if Washington looks back at its gains and losses in international relations this year, it will find that it is not in a much better position than its rival.

This year the United States has spent most of its energy on two areas in foreign affairs: One is Latin America and the other is the Middle East. However, the two military conflicts have shown its true colors and made it unpopular.

In Latin America the United States originally intended to revive friendly relations with the Latin American countries and persuade them to isolate Cuba and check Soviet expansion in the Western Hemisphere. However, while supporting some ruling cliques in Central America in their suppression of local political struggle against violent repression the United States openly sided with Britain in the Malvinas issue, thus arousing the indignation of Latin American countries. This plan has suffered a serious setback.

In the Middle East the Reagan administration has tried to improve its relations with Arab countries and set up a protective screen to check the Soviet strategy of extending its influence southward. However it has not made any substantial progress. In June this year Israel outrageously invaded Lebanon. Making sure that the Soviet Union dared not intervene directly because of internal and external difficulties, the Reagan administration thought Israel's military pressure might provide "a very good chance" to make a "breakthrough" in the deadlocked Middle East situation. On the one hand Washington connived with and supported Israel's invasion. On the other hand it carried out numerous foreign activities attempting to lure and compel the Arab countries and the Palestinian people to accept the "Middle East peace proposal" which Reagan put forward on 1 September. This proposal demands that Israel withdraw from the Arab territory it has occupied and to stop building emigrant settlements on the West Bank of the Jordan River and in the Gaza Strip, but it refuses to support the just demand of the Palestinian people to set up a Palestinian state. Moreover, while the Begin clique obstinately refuses to make any concessions, the United States continues to exert pressure on the Arab countries, demanding that they make a major concession first. This has increased the arrogance of the Begin clique. Prospects for peace in the Middle East remain uncertain.

This year bilateral U.S.-Soviet relations have become worse. In order to cope with internal and external public opinion, "disarmament talks" between the two sides are still being held intermittently but they are only "dialogues held between deaf persons." Not long ago the foreign ministers of the two countries had a meeting at the United Nations but parted on bad terms. Nothing has been heard about the U.S.-Soviet summit "dialogue" which was talked about so much in mid-1982. In its place are summit "quarrels."

While the two countries refuse to budge, an ironic episode occurred. In order to sell their surplus agricultural produce and to win the votes of U.S. farmers, Reagan unilaterally extended an agreement on exporting grain to the Soviet Union and generously met the Soviet Union's demand for importing grain. The Soviet Union has had crop failures for many years. This resulted in a refusal by some West European countries to follow the U.S. demand to cancel the exchange of steel pipes for the Soviet natural gas pipeline and to reduce loans and trade with the Soviet Union. On these problems the United States openly clashed with Western Europe, revealing their strategic differences toward the Soviet Union and giving the Soviet Union the opportunity to impair relations further among the NATO allies.

While the capitalist world is being buffeted by the current serious and protracted economic recession, economic and trade contradictions between the United States and Western Europe, Japan and Canada will intensify further.

The Reagan administration has not been able to find any solutions to a series of problems in foreign affairs. Looking ahead, U.S. public opinion is filled with anxiety. Recently Moscow has raised its tone against the United States. It can be foreseen that in the new year, contention and confrontation between the two superpowers will escalate further. People who are concerned with world peace and security must closely follow the development of this trend.

U.S.-SOVIET NUCLEAR RIVALRY REACHES NEW STAGE

08230638 Beijing XINHUA Domestic Service in Chinese 0005 GMT 19 Jan 83

[("New Development in Nuclear Rivalry Between the United States and the Soviet Union (transmitted exclusively for CHENGDU WANBAO)" -- XINHUA headline)]

[Text] Beijing, 19 Jan (XINHUA) -- Roundup by Zhu Shixiang [2612 1102 7534]: "New Development in Nuclear Rivalry Between the United States and the Soviet Union"

The United States and the Soviet Union have been enlarging their nuclear arms arsenals and at the same time holding all kinds of talks on disarmament. All this in fact is aimed at weakening the other side and deceiving public opinion. The rivalry between the United States and the Soviet Union for nuclear superiority has reached a new stage of development since the new Soviet leadership assumed power.

The United States and the Soviet Union will resume talks in Geneva on the question of medium-range nuclear weapons in Europe on 27 January. To greet this new battle the Soviet Union tossed out another proposal early last winter. The Soviet Union proposed at the end of last November to reduce by half the number of its medium-range missiles now in Europe on condition that the United States not deploy medium-range missiles in western Europe. On 21 December Soviet leader Andropov proposed that the Soviet Union keep the same number of missiles in Europe as Britain and France; at the same time the Soviet Union and NATO member nations would reduce to the same level the number of aircraft carrying nuclear weapons in Europe. On 5 January this year the Warsaw Pact Organization headed by the Soviet Union proposed at its summit conference in Prague that the Warsaw Pact and NATO organizations conclude a mutual nonaggression treaty.

On 11 January, the Soviet delegate to the nuclear talks in Geneva again disclosed that the Soviet Union was considering "destroying" some dismantled missiles after reducing the number of SS-20 guided missiles to a level equal to the total number of guided missiles possessed by Britain and France.

The Soviet Union showed great enthusiasm on the question of limiting medium-range nuclear weapons in Europe. It has thought out and planned this matter very carefully. The present situation shows that the Soviet Union has deployed 333 SS-20 guided missiles in Europe; added to the SS-14 and SS-15 guided missiles it deployed in the past the Soviet Union has gained absolute superiority in medium-range nuclear weapons in Europe. Faced with this situation NATO decided that if no agreement were reached with the Soviet Union by talks, it would begin deploying U.S. Pershing II and cruise missiles in Europe by the end of 1983 in order to break the Soviet "superiority." It goes without saying that the Soviet Union would not stand idle in such a situation and therefore would try its utmost to disrupt the deployment by the West.

The proposals put forward by the Soviet Union constituted a component of its "peace offensive." By this the Soviet Union is trying to show its sincerity in reducing nuclear weapons so as to stir up the antinuclear peace movement in the West so as to create a situation favorable toward the Soviet Union but not the Western allies (especially the United States). The Soviet Union also realized that the West European countries and the United States differ on policies and strategy toward the Soviet Union and that by putting forward the abovementioned proposals it would be able to drive a wedge between them.

The United States at the outset announced that the Soviet proposal was "unacceptable." However, by 8 January, President Reagan changed his tone by saying that the Soviet leaders had "made some encouraging statements recently." He decided to send Vice President Bush to tour six West European countries at the end of this month to consult with allies on the U.S.-Soviet nuclear-weapons talks. The attitude of the West European countries deserved attention. Britain changed from "cool" at the beginning to "interested." West Germany said that the West should "carefully study" the proposals. The abovementioned Western stand derived from many other considerations. In the face of the Soviet offensive the Western countries first of all must win over the public so that the Soviet Union cannot "win the psychological warfare with the first prize of pacifism." The Western countries at present face extreme economic hardship. For certain compromises to be reached with the Soviet Union would also ease their economic burden. Besides, should the talks break down, the West could shift the blame to the Soviet Union.

What deserves our attention is that on the eve of starting the new round of talks between the United States and the Soviet Union, both Washington and Moscow successively have sent out signals for further expanding their nuclear arms arsenals: The U.S. President asked Congress to approve the trial production and deployment of 100 of the new MX missiles; the Soviet Union on the other hand threatened to "deploy equivalent weapons in response to the U.S. challenge." It is obvious that while the United States and the Soviet Union are preparing for round after round of talks on nuclear weapons, the rivalry for nuclear superiority between the two sides is becoming increasingly acute.

USSR Rejects 'Zero Option'

0W230802 Beijing XINHUA in English 0752 GMT 23 Jan 83

[Text] Moscow, January 22 (XINHUA) -- The Soviet Union today flatly rejected the U.S. proposed "zero option" as it "would be tantamount to the drastic breakdown of parity in armaments which has evolved over many years."

Appearing in a TASS commentary shortly before the resumption of the Soviet-American talks on the limitation of medium-range nuclear arms in Europe, this statement was made in direct response to U.S. President Ronald Reagan's statement yesterday and after the press conference given by the U.S. delegation to the talks.

TASS said that the presidential statement and the press conference demonstrated that "the policy of the U.S. Government remained unflexible" since "Washington continues to bank on its pseudo 'zero option'." It accused the U.S. Government of stubbornly refusing "to display a constructive approach to the problem and trying to tip the global and regional balance of forces." Its aim, said TASS, is "to ensure advantage for the United States through detracting dramatically from the security of others."

Arms Disputes Reviewed

HK211321 Beijing BEIJING REVIEW in English No 3, 17 Jan 83 pp 12, 29

["International Reports and Comment" column by Fang Min]

[Text] A new round of disputes between the two superpowers over disarmament has been touched off following the Reagan administration's rejection of a new Soviet proposal for reducing their nuclear arsenals.

The Soviet proposal, contained in Soviet leader Yuriy Andropov's speech at a celebration marking the 60th anniversary of the founding of the Soviet Union, said Moscow was prepared to cut back its missile forces in Europe to the combined total of missiles held by Britain and France.

Washington's Response

John Hughes, the U.S. State Department's chief spokesman, said on December 21 last year that the Soviet proposal was "unacceptable." The Soviet offer, he said, would leave the Soviets with hundreds of potent SS-20 medium-range nuclear missiles "while denying us the means to deter that threat."

The major West European countries also cold-shouldered the Kremlin offer. Britain and France refused to allow their nuclear arsenal to become an element in the U.S.-Soviet arms reduction negotiations in Geneva. They resented Moscow's practice of equating their mainly submarine-launched missiles to its land-based medium-range missiles.

"This is a device aimed at sidetracking the conversation from the true subject, which is the imbalance of forces in Europe," said Claude Cheysson, the French minister for external relations.

British Prime Minister Margaret Thatcher said that the Soviet plan, if implemented, would leave the United States with no medium-range nuclear missiles in Europe, while the Soviet Union would have a considerable number left.

According to available statistics, the Soviet Union possesses more than 600 medium-range missiles, over half of which are SS-20s. Most of the powerful, highly accurate, triple-warhead SS-20 missiles have been deployed in the western part of the country, a cold fact that worries the West greatly.

Western defense experts said that even if Moscow reduced the number of SS-20s in Europe in accordance with its new proposal it would still have 160 such missiles stationed in the continent and would overpower Britain and France with their tiny nuclear forces. They were also concerned about how Moscow would handle the missile cutback. They stated that it would be meaningless for the Soviets to just move the SS-20s from the west to the east of the Ural Mountains.

Some Western observers said that although the Soviet new proposal showed some signs of flexibility and represented a step in the right direction, the step was too small to be convincing. Since Moscow would still maintain nuclear superiority in Europe, they said, the Soviet proposal could not be considered a major breakthrough in the East-West disarmament negotiations.

A Counterproposal

The year-old U.S.-Soviet Geneva talks on the reduction of medium-range missiles in Europe was fruitless and again adjourned last November. The NATO foreign ministers in their meeting last December reiterated support for Washington's negotiating position and stated that NATO will begin to deploy new U.S. missiles in Western Europe as scheduled at the end of 1983 if there is no specific progress in the Geneva talks. Therefore, 1983 will be a key year in the Soviet-U.S. nuclear contest. It is not surprising that Moscow put forward its proposal on the eve of the New Year.

The new Soviet proposal is, in fact, a counterproposal to the U.S. "zero option" plan which called for no deployment of NATO intermediate-range missiles and a total dismantling of Soviet SS-20s. The Soviet proposal, however, offers to cut some of its medium-range missiles in exchange for Washington's promise to scrap the plan to deploy U.S. Pershing-2 and cruise missiles in Europe. If these new U.S. missiles are deployed as planned, they would change the balance of nuclear forces in Europe in favour of NATO. That's what the Kremlin is worried about.

The new Soviet proposal also was aimed at public opinion in Western Europe. In both America and Western Europe, the rather powerful anti-nuclear armament movements have brought considerable pressure to bear upon the governments. The deepening economic recession and unstable political situation have contributed to making the nuclear arms race an increasingly sensitive issue in many West European countries. In light of this trend Moscow designed its new proposal to be tactically flexible, offering concessions but essentially unchanged, in an attempt to put Washington on the defensive and compel the Reagan administration to budge from its prior stand. The proposal was also intended to give a push to the surging anti-nuke movements in the West, thus sapping West European support for the NATO plan of modernizing its nuclear forces.

For years the United States and the Soviet Union have engaged in a variety of disarmament negotiations which, unfortunately, have turned out to be nothing but endless quarrels. But while these talks are deadlocked their arms race gets fiercer all the time. The basic reason for this is that neither sincerely wants to reduce its nuclear arsenal. Their numerous disarmament proposals or plans have all been designed to gain advantage by weakening the other's position.

Poem on Arms Talks

HK240809 Beijing RENMIN RIBAO in Chinese 22 Jan 83 p 7

[Poem by Chen Zhiyan [7115 4160 6056]: "A Strange Thing"]

[Text] The USSR and United States prate about disarmament,
With claptrap to please the public,
And a wide variety of proposals,
Constantly renewed.
One says my proposal is good,
Both sides will not come to grief -- but to parity.
The other says my proposal is fine,
A balance of quantity and technology -- is fair.
If you do not reduce,
I will increase;
What you have and what I don't have must be equal.
The marathon talks,
Mutual blackmail,
And mutual intimidation,
Are for deceiving the people of the world.
The more disarmament the more and further advanced
The bombs;
This is indeed strange mathematics.
This is enough.
Speak less nonsense.
What we want is concrete action!
The people of the world not only want to hear their words,
But what is more they also want to see some action.

ROUNDUP ON JAPAN PRIME MINISTER'S VISIT TO U.S.

OW221136 Beijing XINHUA in English 1115 GMT 22 Jan 83

["Roundup: Japanese Prime Minister Visits U.S. -- by Correspondents Zhou Zhixin, Ding Baozhong" -- XINHUA headline]

[Text] Washington, January 21 (XINHUA) -- The recent talks between Japanese Prime Minister Yasuhiro Nakasone and U.S. President Ronald Reagan indicate that despite their agreement on international issues, no tangible progress was made on trade and Japanese defense spending issues. The Japanese prime minister left here yesterday at the end of what observers here called an "exploratory visit."

The two leaders agreed that the Western allies should maintain unity and coordinate their actions against the Soviet Union before the policies pursued by new Soviet leader Yuriy Andropov take shape. The Soviet expansion in Asia was high on the agenda of their talks, in which Nakasone expressed the fear of a possible transfer to the Far East of the Soviet missiles now deployed in Europe. He declared that to prevent Soviet Backfire bombers and submarines from intruding into Japanese airspace and waters is one of the major goals of Japan's defense.

On relations with China, the Japanese side pledged to continue its support for China's four modernizations drive. The Americans indicated that this conforms with the U.S. policy.

On Japanese-American relations, Nakasone reaffirmed the "relations of alliance" with the United States and pledged to honor the agreement reached between former Japanese Prime Minister Zenko Suzuki and President Reagan. But the most spectacular statement was made by Nakasone's spokesman who made it clear that the relations of alliance also cover the military aspect.

However, the prime minister gave no ground to the U.S. pressure on Japan for further opening its market to American goods and boosting defense spending. He emphasized that Japan has already done much and that some issues should be solved in the spirit of dialogue and mutual cooperation.

In the week before Nakasone's visit to Washington, Japan took a number of measures as its "gift" to the United States. During Nakasone's surprise visit to Seoul, Japan granted four billion U.S. dollars in economic aid to the Chon Tu-hwan clique. Nakasone authorized a transfer of military technology to the United States to underline the Japanese-American security treaty. He also approved tariff cuts for dozens of foreign products. And earlier, Japan increased its military budgetary expenditure for 1983 by 6.5 percent.

Though these measures were welcome to the U.S., Washington, however, was not content. Before and during Nakasone's U.S. visit, U.S. Government officials, congressmen and businessmen demanded in chorus more concessions from Japan so as to dismantle trade barriers. On the defence issue, U.S. Defence Secretary Weinberger openly criticised Japan for its failure to reach the defence target after his talks with Nakasone.

At the end of Nakasone's visit, both sides agreed to Japan's participation in the U.S. space program and the setting up of a joint instrument to study the possibility of transporting Alaska's oil to Japan. But no major breakthrough was made in other fields. The following difficult problems remain between the two countries: the U.S. trade deficits with Japan jumped to 20 billion dollars last year from 15.8 billion a year before. Judging by the less competitive power of U.S. products, it would not be easy for the U.S. to arrest this trend unless Japan greatly eases its restrictions on U.S. imports. Both sides failed to reach an agreement on extending the timelimit of quotas on Japanese auto exports to the United States. In 1981, Japan agreed that the number of autos exported to the U.S. should be "automatically" limited to 1.68 million for two years till next March. Japan also insisted on import restrictions on beef, oranges and other U.S. farm products.

On the defense issue, Nakasone attached importance to self defense and expressed the readiness to defend sea lanes of several hundred nautical miles. But he made no specific commitments.

Although the United States is not fully satisfied with the results of the talks, it has to make the best of them. Some U.S. newspapers pointed to both the importance of U.S.-Japanese relations and the difficulties to patch up their long-standing differences. They noted that the Japanese prime minister is hampered by the many thorny problems at home and the call for protection of the domestic market from the Japanese business circles. Moreover, the Japanese news media is strongly opposed to a Japanese-American military alliance and Asian countries are watching out for a revival of Japanese militarism. In view of all this, the papers maintained, the United States should not take rash actions on the issues of trade and Japanese defense spending.

U.S.-Japan Talks Analyzed

HK220820 Beijing RENMIN RIBAO in Chinese 22 Jan 83 p 6

["Roundup" by correspondent Sun Dongmin [1327 2639 3046]: "The Japanese-U.S. Summit Talks For Strengthening Alliance Relations"]

[Text] Tokyo, 21 Jan -- Japanese Prime Minister Yasuhiro Nakasone returned to Tokyo from his visit to the United States on 21 January. His Washington trip further emphasized the alliance relations between Japan and the United States, but the conflicts on trade and defense issues were by no means cleared up.

Nakasone took "gifts" with him to the United States. Since last year friction between the two countries over defense and trade matters has further intensified, and their relations have been described as "at a postwar low." After its formation the Nakasone cabinet rapidly adjusted its policies to repair the worsening relations with the United States; it further opened up the domestic market and announced a lowering of tariffs on 108 types of commodities, relaxed import restrictions on 6 types of commodities including cigarettes, and simplified import inspection procedures. In defense -- despite domestic financial difficulties -- spending in 1983 will rise by 6.5 percent over last year, and Japan has also decided to supply military technology to the United States. The "presents" Nakasone took with him to Reagan were assessed positively in the United States.

Judging from reports in the Japanese press, the outstanding feature of the Japanese-U.S. talks was that both sides emphasized strengthening "alliance relations." Nakasone told a press conference that "the Soviet Union has strengthened its military forces on our northern territories. Japan will defend its archipelago by making full use of the Japanese-U.S. security treaty." Reagan had words of praise, saying in a speech that "Japan is now willing to make greater efforts to share the burden of peace and stability."

As far as Japanese-U.S. alliance relations are concerned, Nakasone has gone even further than his predecessors. Ohira mentioned a Japanese-U.S. "alliance" when he visited the United States in 1980, and the joint statement on Suzuki's 1981 visit mentioned "alliance relations." On this occasion Nakasone stressed that Japan and the United States constituted "a predestined entity on the two shores of the Pacific," and explicitly stated that "Japanese-U.S. alliance relations include a military aspect." Nakasone said in a talk with an American newspaper that, proceeding from its anti-Soviet strategy, Japan would work to build itself into a powerful fortress against Soviet invasion, and would in wartime seal off the seas around Japan and keep the sealanes open. According to Japanese press reports, the "sealanes" Nakasone mentioned include the extensive sea areas between Tokyo and Guam and between Osaka and the Taiwan Strait. This was the first time a Japanese prime minister has directly touched on Taiwan Strait when speaking of national defense issues.

Nakasone's pronouncements on strengthening defenses attracted concern in public opinion circles and opposition from the parties not in power. All these parties criticized this, saying that Nakasone's "pro-American statements have obviously gone too far." They will also "pursue" the subject of national defense at the imminent Diet session.

On the trade issue, the United States has welcomed the steps so far taken by Japan to open up its domestic market, but has also held that these measures "are only the first step."

On the question of Japanese imports of American beef and oranges, which have become symbols of Japanese-U.S. trade friction, although Japan has promised to continue to hold consultations in the future the United States remains dissatisfied. Statistics show that the United States suffered a trade deficit of \$20 billion with Japan in 1982, and even if the problems of the free import of American beef and oranges were resolved, that would only involve a few hundred million dollars and could not change the current trade imbalance between the two countries. One Japanese official held that Japanese-U.S. economic friction will be hard to solve so long as the U.S. economy is unable to revive swiftly.

Nakasone's Washington trip did a little to repair relations between Japan and the United States. Today, when the two superpowers -- the United States and the Soviet Union -- are engaged in fierce rivalry in the Asia-Pacific region, the United States is paying still more attention to Japan's important strategic position. While Japan needs the U.S. guarantee of its security, both countries have political and strategic need of each other. Although they have engaged in fierce arguments over trade, while their views on defense have also differed at times and they may go on arguing in the future, this cannot change their relationship of mutual reliance. The question is whether the military factor in Japanese-U.S. alliance relations will grow larger and to what extent. What effect this will have on developments in the Asia-Pacific region is something that merits close attention.

U.S.-USSR 'CONTENTION' THREATENS SOUTHEAST ASIA

0W220523 Beijing XINHUA Domestic Service in Chinese 0727 GMT 19 Jan 83

[Talk by Ji Zonghe on Current Events: "The Contention Between the United States and the Soviet Union Threatens Peace in Southeast Asia"]

[Text] Beijing, 19 Jan (XINHUA) -- The United States and the Soviet Union have intensified their contention for supremacy in Southeast Asia in recent years. The Soviet Union has been trying by hook or by crook to infiltrate into Southeast Asia while the United States has sharply opposed it. The rivalry between them has posed a serious threat to peace and security in the Southeast Asian region.

Southeast Asia is where the Pacific and the Indian Oceans join, and the Strait of Malacca which links the two oceans together is called the sea lifeline of the West. To protect this sea route the United States built military bases in a number of places and stationed massive numbers of forces there. After suffering defeat in its war of aggression against Vietnam, the United States adopted a fallback policy and reduced the number of troops stationed there. The Soviet Union seized the opportunity to step in. The Soviet Union is using Vietnamese naval and air bases as a springboard for its expansion in Southeast Asia. Nuclear submarines and warships of the Soviet Pacific Fleet frequently cruise in Southeast Asian waters and the Indian Ocean, and aircraft of the Soviet Air Force patrol over the South China Sea and the Gulf of Siam. According to reports, since 1980 six Soviet warships pass through the Strait of Malacca every month. Coordinating with its military activities the Soviet Union has also tried in every possible way to infiltrate into the ASEAN countries economically. Vietnam, pursuing regional hegemonism, has become the Soviet Union's assistant in the latter's expansion in Southeast Asia. The Soviet Union has supported Vietnam in its aggression in Kampuchea and its control over Laos, thus forming a semi-encirclement of Thailand's heartland.

It is unlikely that the United States will remain indifferent to Soviet expansion in Southeast Asia. Southeast Asia has always been an important region for U.S. investment and a market for U.S. products.

According to an Ad report, U.S. investments in the ASEAN countries are now estimated at \$1 billion, while in 1979 only \$370 million was invested there. The volume of trade between the United States and the ASEAN countries in 1981 was \$22 billion, greater than the volume of trade with most European countries. After assuming office President Reagan clearly stated that the United States supports its Asian allies as it does its other allies. In order to resist Soviet expansion the United States has sent a number of important officials to visit these countries in the past 2 years to discuss defense matters with them. To sum up, the United States has done the following three things:

1. The United States has increased its military aid to the ASEAN countries and has assisted them in renewing their military equipment and strengthening their defense capabilities. U.S. military aid totals more than \$630 million.
2. The United States has increased the number of joint military exercises with the ASEAN countries and has helped their armed forces improve their fighting capabilities. It conducted 12 joint military exercises with Thailand alone last year.
3. The United States has reiterated that it will honor its Manila treaty commitments. It is also planning to build new military facilities in ASEAN countries.

The ASEAN countries feel grave concern over the Soviet Union's expansionist activities and Vietnam's acts of aggression. On the one hand the ASEAN countries are bringing pressure to bear on Vietnam and demanding that the latter withdraw its troops from Kampuchea in order to seek a political solution to the Kampuchea issue. On the other hand they are relying on the United States to strengthen their defense capabilities. According to reports the five ASEAN countries spent \$1.7 billion on defense last year, a 17 percent increase over 1979. Their defense expenditures this year will be more than \$2.4 billion. In addition, Singapore has openly asked the United States to return to its military bases. Thailand has allowed U.S. F-3 patrol aircraft to refuel at its bases and the Philippines has agreed to negotiate with the United States on the latter's continued use of its two bases there.

Unstable factors now exist to a serious extent in Southeast Asia. The rivalry between the two superpowers tends to be further intensified. Hence the development of the situation in Southeast Asia merits attention in the new year. (special article transmitted by XINHUA for WILLIAM KIBAO)

VICE-PREMIER YAO YILIN SEEKS WORLD BANK OFFICIALS

OWI/170 Beijing XINHUA in English 1239 GMT 24 Jan 83

(Text) Beijing, January 24 (XINHUA) -- Vice-Premier Yao Yilin said today China's cooperation with the World Bank had produced initial results over the last two years. Speaking at a meeting with the bank's Vice-President Attila Karaosmanoglu and his party, Yao said China expected greater expansion of this cooperation in the years to come.

Karaosmanoglu said his talks with Chinese officials gave him the impression that the progress of China's economy in the last two years was greater than he had expected. The World Bank would render further financial and technical assistance to China's modernization program, especially in the areas of agriculture and energy, he said.

Karaosmanoglu, who arrived here yesterday, conferred with Chinese Finance Minister Wu Bangguo and Vice-Minister of the State Planning Commission Gan Zizhu earlier today. They held consultations on the bank's program for providing loans to China and exchanged views about the bank's supplementary report on its study of the Chinese economy.

REAGAN COMMENTS ON U.S. ECONOMY, EUROMISSILES

OW211856 Beijing XINHUA In English 1830 GMT 21 Jan 83

[Text] Washington, January 20 (XINHUA) -- U.S. President Ronald Reagan said that the American economy was "on the mend" at a White House press conference today to mark the halfway point of his four-year term in office. "My greatest satisfaction is the conviction that a country that was skidding dangerously in the wrong direction...has been set on the right course," he said. He said "nearly every economic indicator shows us heading for recovery," and that "we are entering a season of hope." But he also admitted that "the accumulated damage has piled up so high for so long" that it is taking longer than anticipated to deal with the economy. According to the U.S. Government reports, the current unemployment rate in America is 10.8 percent, the highest in 42 years, and the gross national product dropped 1.8 percent in 1982, the biggest one-year decline since 1946.

Talking of the medium-range missiles to be deployed in Europe, Reagan said the U.S. Government is "determined...to stay on schedule" with the deployment of Pershing II and cruise missiles in Western Europe by the end of 1983. "What the Soviet Union is demanding is the right to maintain intermediate-range ballistic missiles to hit every population center in Europe, but they don't want a single weapon of a deterrent nature to be there on the other side," Reagan said. Meanwhile, he said, the U.S. Government will continue to push for his "zero option" proposal as a basis for arms control talks with the Soviet Union.

REACTION TO U.S.-PRC TRADE DISPUTE NOTED

OW211924 Beijing XINHUA In English 1902 GMT 21 Jan 83

[Text] Beijing, January 21 (XINHUA) -- Peter Handal, chairman of the textile and apparel group of the American Association of Exporters and Importers, said in a statement that the U.S. restrictions on Chinese textiles will jeopardize prospects for a new textile agreement with China and hurt overall U.S.-China relations, REUTER reported today from Washington. A suit will be filed with the U.S. Court of International Trade to prevent the U.S. Government from implementing the restrictions, he said. Following the announcement by China on Wednesday to ban cotton, chemical fibre and soybean imports from the United States, there has been a drastic drop in the prices of grains and soybean in Chicago's market. Chief executive officer of the American Soybean Association, Ken Bader, said that American farmers will be the big losers in the latest trade conflict between the United States and China.

U.S. agriculture department officials and farming businessmen feared the Chinese move would jeopardize the sales of U.S. timber products and grains. Thomas Saylor, vice president of a grain company in New York, said, "The good relations in agriculture will suffer if the United States shuts off its borders to Chinese imports." U.S. Agriculture Secretary John Block said Wednesday that the Chinese market was of importance to U.S. farm exports, and that he was "hopeful that any differences with the Chinese can be resolved in a timely fashion." U.S. State Department spokesman John Hughes said that the United States is ready to resume negotiations at an early date convenient to both sides in order to "continue addressing our textile trade problems (with China) through a mutually acceptable agreement." However, U.S. Commerce Secretary Malcolm Baldrige said that in spite of China's ban on three U.S. exports, the United States will stick to its policy to limit imports of Chinese textiles.

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PR C I N T E R N A T I O N A L A F F A I R S
S O V I E T U N I O N

C 1

SHIJI ZHISHI REFUTES NOVOYE VREMYA 'ATTACKS'

0W221854 Beijing XINHUA in English 1829 GMT 22 Jan 83

["Chinese Journal Replies to Soviet Attacks on Boundary Issue" -- XINHUA headline]

[Text] Beijing, January 22 (XINHUA) -- The forthcoming No 3 issue of the Chinese fortnightly on world affairs SHIJI ZHISHI carries a commentator's article to refute the unjustifiable attacks unleashed recently by the "Observer" of the Soviet NEW TIMES [NOVOYE VREMYA] magazine with regard to the Sino-Soviet boundary issue.

The article, entitled "A Reply to the 'Observer' of the Soviet NEW TIMES Weekly," reads in full:

The Soviet NEW TIMES weekly published recently a long article by its "Observer" under the title "What Is the Purpose?" While professing Soviet desires to improve relations with China, the article directs attacks against the statements of certain Chinese scholars and academic journals concerning the histories of Sino-Russian relations and the Sino-Soviet border, accusing them of being desirous to "misrepresent the history," "present territorial claims on the Soviet Union" and, as it wildly put it, "keeping the border issue 'in reserve' as a ready-made 'sure' expedient for retarding the process of normalisation" of relations between the two countries, and so on and so forth.

Laden with hackneyed and stereotyped expressions, such an **article** produced by the "Observer" of the NEW TIMES would not have bothered one to give any reply in the first place. But as it contains certain pronouncements in which he connects historical problems in Sino-Russian relations with the Sino-Soviet border issue, particularly with the present Sino-Soviet relations by way of launching wanton slanderous attacks on China's principled stand on these matters, there is need to say something to ensure a correct understanding of the facts.

History after all is history and no one is allowed to misrepresent historical facts at will. The histories of Sino-Russian relations, including that of the evolution of the boundary between the two countries, have always been the subjects of research and discussions of Chinese historians. The Chinese scholars, with a serious approach of paying full respect to historical facts, have been studying them in a scientific and true-to the fact way. To do so is not only their academic vocation but also their sacred right. Numerous indisputable historical data and historical facts have testified that in the latter half of the 19th century and in the early 20th century when the people of both China and Russia were powerless, tsarist Russia, annexed 1.5 million square kilometers of Chinese territory through a series of unequal treaties imposed on China. Karl Marx, Frederick Engels and Lenin recognized the historical fact of tsarist Russian aggression against China long ago. Many works published earlier in the Soviet Union also admitted that the "Sino-Russian Treaty of Aigun," the "Sino-Russian Treaty of Peking," the "Sino-Russian Treaty of Tientsin" and the "Sino-Russian Ili Treaty" signed between tsarist Russia and China are unequal treaties. Even the Soviet "Dictionary of Diplomatic Relations," published as late as in 1961, acknowledged that the "Sino-Russian Treaty of Peking" is an unequal one.

It is therefore totally groundless for the "Observer" of the NEW TIMES, while going to great lengths in defending tsarist Russia's aggression against China, to blame the academic studies done in China's historical circles for being designed "to put territorial claims on the Soviet Union" in violation of Soviet national interests and to the detriment of the Soviet people's honor and dignity. The Soviet weekly still takes and even flaunts as a credit the inglorious history of tsarist Russia's aggression against China. This is indeed detrimental to the honor and dignity of the Soviet people.

The stand of the Chinese Government on the Sino-Soviet border issue has been long made known both at home and abroad. It has solemnly declared on many occasions that China has no territorial claims whatsoever on the Soviet Union nor does it demand the return of its territories ceded to tsarist Russia under a series of unequal treaties, but stands for an overall solution to the border issue through peaceful negotiations by taking into consideration the actual conditions, and on the basis of the above-mentioned treaties. This stand fully conforms to the fundamental interests of the Chinese people and the Soviet people and to the spirit of good neighborliness. Anyone free from any prejudice can see for himself the stand of China's is constructive and reasonable.

China and the Soviet Union, as two great neighboring countries, should live in friendship. China, on its part, sincerely hopes to see barriers removed on the way to better relations between the two countries, and will make continuous efforts toward the end in the belief that the normalization of relations between the two countries fully corresponds with the fundamental interests of the Chinese people and the Soviet people and will serve peace in Asia and the world. We have noted that the Soviet side has indicated its desire to improve relations with China and we deem it a good thing to see that consultations between the two countries have got underway recently as a result of the efforts made by both sides. But, one would ask what is the purpose of the "Observer" of the NEW TIMES in attacking groundlessly the Chinese Government's principled stand on the border issue by harping on time-worn tunes in open defense of tsarist Russia's aggression against China.

Beijing Russian Report

OW240843 Beijing in Russian to the USSR 1800 GMT 23 Jan 83

[Text] As reported by XINHUA, the upcoming No 3 issue of the journal SHIJIE ZHISHI notes in a commentator's article that the Soviet weekly NOVOYE VREMENYA recently published an Observer's article that links historical problems in Sino-Russian relations with the question of the Sino-Soviet border, in particular with the present Sino-Soviet relations.

The article licentiously distorts China's principled position on these issues and attacks it. The question arises: What is the purpose of these unfounded attacks by NOVOYE VREMENYA at a time when consultations are being held between China and the Soviet Union?

SHI JIE ZHISHI stresses that the studies by our scientific workers on the history of relations between China and Russia, including the history of the formation of the border, in a scientific and realistic spirit, are the responsibility of scientists and their sacred right. Countless indisputable historical data and facts indicate that in the second half of the 19th century and in the beginning of the 20th century, when the people of China and Russia were in a position without any rights, tsarist Russia seized more than 1.5 million square kilometers of territory through a series of unequal treaties. Therefore the accusations of the NOVOYE VREMENYA Observer are completely unfounded. To continue to flaunt the inglorious history of tsarist Russia's aggression against China and to consider it a glorious history are detrimental to the honor and dignity of the Soviet people.

The Chinese Government, writes SHI JIE ZHISHI, has many times declared that China has no territorial claims on the Soviet Union, that China has never demanded the return of Chinese territories seized by tsarist Russia through unequal treaties and that China supports an overall solution to the question of the border between the two countries through peaceful negotiations on the basis of these treaties and by taking into account the actual conditions. Anyone free from prejudices will be able to understand that this position of China is constructive and reasonable.

HINDRANCES TO SINO-SOVIET RELATIONS NOTED

OW222208 Beijing in Russian to the USSR 1800 GMT 21 Jan 83

[Commentator (Hunbo) talk on the "International Affairs" program]

[Excerpt] [Hunbo] After the CPC 12th congress, Beijing became the diplomatic focal point of world attention. Only last autumn our country was visited by more than a dozen heads of state and government as well as by leaders of ruling parties and other foreign guests. Such an occurrence has rarely been seen in the history of our nation.

Soon after the 12th congress Comrade Kim Il-song, leader of a fraternal party and head of a close, neighboring country was the first to pay our country an official state visit. He was met warmly and solemnly by Hu Yaobang, Deng Xiaoping, Zhao Ziyang and other party and state leaders as well as the entire Chinese people. Comrade Kim Il-song's trip, as Comrade Hu Yaobang noted, was a historic event in relations between the two parties and countries, contributed importantly to the further development of friendly cooperation between the two countries and exerted a far-reaching influence in the cause of defending peace in the Asia and the Pacific region and the entire world.

[Announcer] Sino-Soviet and Sino-U.S. relations for some time have been the center of the world public attention. In October last year Quan Qichen, PRC deputy foreign minister, and Ilichev, USSR deputy foreign minister, held consultations in Beijing during which both sides calmly elucidated their positions on the issue of improving relations between China and the Soviet Union.

On 17 October Hu Yaobang, general secretary of the CPC Central Committee, declared at a meeting with foreign correspondents that the Chinese side sincerely wished to overcome all obstacles to the normalization of Sino-Soviet relations and that relations between the two countries were to take the path of healthy development. Can you, Comrade (Hunbo), tell us what is hindering the normalization between them?

[Hunbo] China many times noted that the USSR's support for Vietnam's aggression against Kampuchea and its direct armed intervention in Afghanistan and the concentration of large troop contingents on the Sino-Soviet and the Sino-Mongolian borders are the main obstacles to normalized relations between China and the Soviet Union and is a serious threat to peace in Asia and security in China.

If the Soviet authorities genuinely wish to improve relations with China, then they must undertake practical actions for eliminating these obstacles. At least they have to take one or two concrete measures. The forthcoming consultations between the two sides will take place in Moscow. We sincerely hope for (?substantiality) of these consultations.

BEIJING REVIEW ON TASS STATEMENT ON AFGHANISTAN

HK211115 Beijing BEIJING REVIEW in English No 3, 17 Jan 83 p 10

["International Reports and Comments" column by Wang Dadao]

[Text] The Soviet news agency TASS Dec. 31, 1982 statement revealed Moscow's intention to hang on in Afghanistan, when it said that "the Soviet Union will carry out its internationalist duty to the end to defend Afghanistan against foreign armed intervention."

The statement said, "The attempts to make the development of relations between the Soviet Union and the United States, between East and West, dependent on developments in Afghanistan cannot fail to evoke surprise and censure." It added that the hopes that the Soviet Union will change its attitude towards Afghanistan are "illusory."

Soviet Intentions

The TASS statement, undoubtedly, disappoints and frustrates those who assumed recently that the Soviet stand on Afghanistan had become a bit more flexible. It clearly demonstrates that the Soviet occupation of Afghanistan will not change, that its 100,000 troops will not withdraw, and that it will not leave the Afghan lands already occupied. The Soviet Union not only refuses to return to Afghanistan its independence and non-aligned status, but also is unwilling to remove its threat to the security of Afghanistan's neighbours and to peace in Asia and the world. The Soviet claim that it does not intend to withdraw from Afghanistan is not just rhetorical. It is, in fact, taking great pains to turn that strategic country into a forward base for its southward thrust policy. Large Soviet strategic air and logistic bases in Afghanistan are under construction or have been completed. Missiles have been deployed. Ferries, bridges and highways entering this small Mideast country are being built or extended. Russian advisers control the Karmal regime's key departments and its troops.

Afghan People Say No

The Soviet attempt to continue the occupation has sustained the Afghan people's staunch opposition and resistance. It was reported that the local Afghan people struck the Soviet aggressors repeatedly around the third anniversary of the invasion. The Afghan freedom fighters killed 16 Soviet soldiers and destroyed 5 tanks in a surprise attack on the presidential palace in southern Kabul on Dec. 24. On Dec. 27 they raided on the Karmal Defence Ministry building and the Soviet Embassy. Furthermore, dissatisfaction and resentment of the Russian occupation and the puppet rule are growing within the Karmal regime itself.

Not long ago, a mutiny within the Karmal army left more than 30 officers dead. 100,000 Soviet Armed Forces cannot provide protection to either the puppet government in Kabul, or themselves. The Afghan freedom fighters are determined to kick those self-styled "defenders" out of Afghanistan.

The message from TASS should be a warning against having any illusions about Soviet hegemonism. Only stronger support from all peace-loving countries for the Afghan people's struggle against aggression and a continued pressure on the Soviet Union can bring about a just and reasonable solution to the Afghan question that will be in the interests of the Afghan people and contribute to global security and peace.

TASS CRITICIZES NAKASONE'S U.S. VISIT

OW211634 Beijing XINHUA in English 1615 GMT 21 Jan 83

[Text] Moscow, January 21 (XINHUA) -- The Soviet press has in the past two days published criticism of the "dangerous collusion" between the United States and Japan following their leaders' reaffirmation of their "unshakable alliance" in Washington Tuesday.

Japanese Prime Minister Yasuhiro Nakasone visited the United States from January 17 to 21 and held talks with President Ronald Reagan on a number of international and bilateral issues.

The summit talks held by Nakasone in the United States show that Tokyo has compromised with the United States in the latter's attempt to push Japan further onto the path of militarization, said a TASS commentary carried in Moscow papers today.

The Japanese ruling party is working out a legislation to expand the activities of Japanese Self-Defense Forces, which will lead Japan into dangerous confrontations with its neighboring countries, said another TASS commentary Thursday.

Referring to Nakasone's statement that he planned to turn Japan into a U.S. aircraft that won't sink, the commentary warned that no unsinkable aircraft carrier ever exists in the era of modern technology.

The Soviet Union will draw appropriate conclusions from Nakasone's remarks so as to "guarantee the security of its borders in the Far East", the commentary said in a threatening tone.

LIAOWANG ON SOVIET DIPLOMATIC 'PREDICAMENT'

HK240923 Beijing LIAOWANG in Chinese No 12, 20 Dec 82, pp 16-17

[Report by Wang Chongjie [3769 1504 2638], LIAOWANG correspondent in Moscow: "Soviet Intervention Faces Obstacles Everywhere"]

[Text] The five major wars in the world this year are all directly or indirectly related to the Soviet Union, a superpower. Because its interests were involved to different degrees, Moscow took different attitudes toward the five wars, but in general, none of these wars brought any benefits to the Soviet Union.

It is 3 whole years since the Soviet Union sent its troops into Afghanistan. Battles, massacres and destruction have brought miserable sufferings and disasters to the Afghan people. Thus far, the Soviet Union still disregards UN resolutions and condemnation by world public opinion, refusing to withdraw its troops. However, the 100,000 Soviet troops are unable to put down the heroic struggle waged by the Afghan patriotic forces. This protracted war has placed heavy burdens on the Soviet Union in the military, economic and moral areas.

The war of aggression by Vietnam against Kampuchea has been backed up by the Soviet Union at all times and there has been no sign so far that Moscow will change its mind. People can remember that when the Vietnamese aggressor troops occupied Phnom Penh, Moscow sang the praises of the aggressors. But over the past 3 years and more, the aggressors have failed to subdue the Kampuchean people. Conversely, the Vietnamese aggressors have been bogged down ever more deeply in a predicament; while the Kampuchean patriotic forces have become stronger and stronger in battle. The Government of Democratic Kampuchea has won broader international support. To prop up Vietnam, the Soviet Union has to spend 6 to 7 million U.S. dollars a day. That is another heavy burden. Moreover, it has politically placed itself in opposition to the people in Kampuchea and in Southeast Asia.

At the early stage of the Malvinas war, the Soviet Union took a wait-and-see attitude. With the development of the situation, the Soviet Union attempt to make use of this conflict to serve its global strategy and adopt a pose of supporting Argentina. But Moscow did not succeed in gaining a new foothold in Latin America.

This year, when Israel, supported by the United States, invaded Lebanon in a big way, brutally killed the Palestinian people and threatened Syria, the Soviet Union took an ambiguous attitude. On the one hand, it tried to contend for the Middle East with the United States; on the other hand, it avoided falling into head-on conflict with the United States. The Soviet Union did not provide necessary assistance for the PLO when it was in a desperate situation. The military equipment that the Soviet Union provided for Syria failed to perform due functions when encountering Israeli raids. The Soviet Union also failed to fulfill its obligations according to the Soviet-Syrian friendship and cooperation treaty. What Moscow did was just to give verbal support to the Arab countries. It reiterated the convention of an international meeting that the Soviets have the right to participate in so that it can reserve some right to speak politically.

As for the Iran-Iraq war that has lasted for over 2 years the Soviet Union approaches it with the attitude of putting stakes on both sides. The Soviet Union treats Iran as a key to opening the door to the Gulf region, so it does not want to see Iran being defeated, which would lead to an increase in the influence of Saudi Arabia and other pro-West countries. At the same time, the Soviet Union has concluded a friendship and cooperation treaty with Iraq and also fears that a defeat would make Iraq turn to the West for help. Therefore, Moscow has provided weapons for both Iran and Iraq. By ingratiating itself with both sides, it wants to profit from this conflict. But its practice has also made both Iran and Iraq be on guard against it.

The two superpowers -- the Soviet Union and the United States -- unceasingly step up arms expansion and war preparations and carry out global contention. This is the source of the unrest in the world at present. The five hot wars in 1982 have educated the people and the people have enhanced their consciousness and vigilance.

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CHEN MUHUA MEETS JAPANESE TRADE DELEGATION

OW220812 Beijing XINHUA in English 0804 GMT 22 Jan 83

[Text] Beijing, January 22 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, met here this morning with a delegation from ten local organizations of the Japan Association for the Promotion of International Trade led by Takamaru Morida, director general of the association.

They held a discussion on further development of the Sino-Japanese trade. Wang Yaoting, chairman of the China Council for the Promotion of International Trade, was present at the meeting.

JAPANESE POLITICAL PARTY OPPOSES MILITARIZATION

OW231604 Beijing XINHUA in English 1554 GMT 23 Jan 83

[Text] Tokyo, January 23 (XINHUA) -- The Japanese United Social Democratic Party warned today that it is imperative to prevent Japan from becoming a military power.

A resolution adopted at the third national convention of the party said in 1982 and 1983 Japan faces an important choice on security and defense. The resolution said that though Japan could not become a military power immediately, the strength of its defense forces is growing and military expenditure is increasing to take a larger share in the U.S.-Japan defense system. The strategy is changing from mere defense to confrontation, and therefore it is necessary to take effective measures to prevent the country from becoming a military power, the resolution said.

JAPAN'S LDP TO DRAFT 'INDEPENDENT CONSTITUTION'

OW230840 Beijing XINHUA in English 0818 GMT 23 Jan 83

[Text] Tokyo, January 22 (XINHUA) -- Japan's ruling Liberal Democratic Party today decided to draw up an "independent constitution" for the country. The decision was contained in a resolution adopted at the party's 42nd convention, which says that to draft a new constitution is "a fundamental policy of the party since its establishment."

It is the first time that the Liberal Democratic Party included in the resolution of its regular convention the policy to draw up an "independent constitution". The Japanese press points out that this shows a growing tendency within the ruling party for constitutional amendments.

For a long period of time, various political forces in Japan differed sharply on whether the post-war constitution should be maintained or revised. The constitution renounces war, armed forces and allows no collective defense. A considerable number of the LDP members want these provisions amended which they think have bettered the expansion of Japan's military forces. But these arguments were challenged by opposition parties and the public opinion.

The party president Yasuhiro Nakasone reported to the convention on his visit to the United States. Through his talks with President Ronald Reagan, he said, the two sides deepened their mutual understanding. Meanwhile, he admitted there were still differences between Tokyo and Washington over security and trade. He said, however, these strains could be solved through further talks. The convention as a matter of fact supported the stance taken by Nakasone during his American visit.

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It appreciated the efforts of the United States to strengthen its defense against the Soviet Union and held that Japan and other Western countries should also strengthen their defense capabilities. The convention also underlined the need to make use of the Japan-U.S. Security treaty.

As some Japanese opposition parties see it, since Nakasone's cabinet took power, the Japan-U.S. security system has changed greatly, giving a green light to the right of collective defense denied by the constitution. The Japanese paper ASAHI SHIMBUN said on January 20 that the idea mentioned by Nakasone during his Washington tour to block the Straits off Japan in the event of war between the United States and the Soviet Union was "in violation of the constitution" because it would "amount to collective defense."

A fierce debate on this and other related issues is expected in the Diet when it resumes on January 24.

JAPAN, PRC CIVIL AVIATION TALKS SAID SET TO OPEN

OW211121 Tokyo KYODO in English 1108 GMT 21 Jan 83

[Text] Tokyo Jan 21 KYODO -- Civil Aviation talks between Japan and China will be held in Beijing January 27-29 and will probably focus on China's efforts to have Japan restrict its flights through China to third countries, Transport Ministry officials said Friday.

Under the Japan-China aviation agreement signed in 1974, Japan is permitted to operate flights via three points in China to seven points in third countries, including New Delhi and Karachi. Similarly, China obtained the right to fly to one point in the U.S. and four points in Central and South America via three points in Japan.

But at their last meeting in 1981, Chinese civil aviation authorities asked Japan to restrict its seven-point flight right to one since they were only considering a service to New York. China is expected to make the same request at the forthcoming talks, the officials said.

INDUSTRIAL DELEGATION VISITS HONG KONG

OW222222 Beijing XINHUA Domestic Service in Chinese 1418 GMT 17 Jan 83

[Text] Hong Kong, 19 Jan (XINHUA) -- A delegation from the All-China Federation of Industry and Commerce led by Hu Ziang left here for Guangzhou by train this afternoon, successfully winding up their visit to Hong Kong.

During their stay here, members of the delegation visited a number of factories, enterprises and financial institutions, keeping close contacts with friends in the industrial and business circles here. Prior to his departure from Hong Kong, Hu Ziyang said to a XINHUA correspondent: Although our stay in Hong Kong has been short, we have had a wide exchange of views with our friends in industrial and business circles here. Our discussion covered strengthening the existing friendship, unity and cooperation with our friends promoting trade, economic and technological exchanges between the Hong Kong area and the mainland; and exerting common efforts to contribute more to the motherland's modernization. It is our common view that our country's economic development has opened up vast vistas for promoting trade and economic cooperation between the Chinese mainland and Hong Kong. What has deeply impressed us is the fact that friends in industrial and business circles here ardently love the motherland, have full confidence in prospects for its modernization and are enthusiastic in doing their share in efforts to build the motherland into a prosperous, abundant and powerful country.

Present at the railway station to see the delegation off today were President Wang Kuancheng of the Chinese Chamber of Commerce in Hong Kong, Chairman Ni Shaojie of the Hong Kong Federation of Business Concerns, President Tang Xiangqian of the Hong Kong Industrial Council and scores of other noted personages from local industrial and commercial circles, including Tang Bingda and Sun Chengzhen. Also present were Wang Guo, chief of the Hong Kong XINHUA Branch No 1 and Li Jusheng, chief of the Hong Kong XINHUA Branch No 2.

The delegation of the All-China Federation of Industry and Commerce arrived in Hong Kong on 10 January on their way home from attending the 70th founding anniversary celebrations of the Chinese Chamber of Commerce in Macao.

EDUCATION DELEGATION ENDS VISIT TO BURMA

OW221954 Beijing XINHUA in English 1520 GMT 22 Jan 83

[Text] Rangoon, January 22 (XINHUA) -- The Chinese education delegation led by Deputy Minister of Education Zhang Wensong left here for home today.

During its 10-day stay in the country, the delegation was warmly welcomed by the Burmese Government and people. Burmese Minister for Education U Kyaw Nyein received the Chinese delegation on Jan. 13. Deputy Minister for Education Dr. Maung Maung Aye hosted a dinner for the delegation on the evening of the same day.

The Chinese guests also visited Burmese educational institutions including universities, colleges and high schools as well as scenic spots and historical sites.

The delegation paid the visit under a cultural exchange program between China and Burma.

HU, OTHERS GREET ZHAO AT BEIJING AIRPORT 22 JAN

OW221752 Beijing XINHUA Domestic Service in Chinese 1315 GMT 22 Jan 83

[Text] Beijing, 22 Jan (XINHUA) -- Zhao Ziyang, premier of the State Council, returned to Beijing by special plane this morning after concluding his official friendship visit to 11 African countries and a brief rest in Hainan Island.

Zhao Ziyang was met at Beijing Airport by Hu Yaobang, Wan Li, Xi Zhongxun, Ulanhu and other party and state leaders. They warmly congratulated him on the great success of his African tour and his return with the profound friendship of the African people.

The weather was fine today in Beijing. At 1135 Zhao Ziyang, clad in a light woolen overcoat and all smiles, stepped down the ramp amid resounding applause. Hu Yaobang and other comrades stepped forward, shook hands with him and gave him a big hug. A Young Pioneer then presented a bouquet of fresh flowers to Premier Zhao.

Foreign Minister Wu Xueqian, Vice Minister of Foreign Affairs Gong Dafei, Vice Minister of Foreign Economic Relations and Trade Lu Xuejian, Adviser to the Ministry of Machine-Building Industry Wang Ziyi and department Deputy Director of the PLA General Staff Headquarters Wang Letian, who accompanied Premier Zhao on his visit, returned to Beijing by the same plane.

State Councillor Gu Mu is staying behind in Hainan Island for a brief inspection tour.

Also welcoming Premier Zhao Ziyang at the airport were:

Other party and state leaders Chen Muhua, Hu Qili, Qiao Shi And Hao Jianxiu; Liu Lantao, vice chairman of the CPPCC National Committee; and leading members of various democratic parties Rong Yiren, Qu Wu, Fei Xiaotong, Sun Xiaocun, Zhao Puchu, Shen Qizhen, Huang Dingchen, Zhou Peizuan and Li Chunqing; and responsible persons of departments under the CPC Central Committee, the State Council and the PLA, Beijing Municipality and people's organizations Du Xingyuan, Chen Chu, Yang Dezhong, Yang Jingren, Zhou Jiannan, Zhu Muzhi, [name indistinct], Wu Lengxi, Cui Yueli, Mu Qing, [two names indistinct], Wen Yezhan, Han Nianlong, He Zhengwen, Ling Yun, Wei Yuming, He Kang, Duan Junyi, Jiao Ruoyu, [name indistinct] and Guo Liwen.

On hand also were diplomatic envoys of Egypt, Algeria, Morocco, Guinea, Gabon, Zaire, the Congo, Zambia, Zimbabwe, Tanzania, Kenya and the Democratic People's Republic of Korea.

When Premier Zhao Ziyang left Hainan Island this morning, he was seen off by Ren Zhongyi, first secretary of the Guangdong Provincial CPC Committee; Liu Tianfu, governor of Guangdong; Wang Meng, political commissar of the Guangzhou PLA units; and party, government and military leaders of Hainan Island.

GUANGZHOU BANKER EXECUTED FOR EMBEZZLEMENT

OW211206 Beijing XINHUA in English 1138 GMT 21 Jan 83

[Text] Guangzhou, January 21 (XINHUA) -- An employee at a Guangdong Province bank was executed on January 18 for embezzling more than 600,000 yuan of public funds. He was the second person to receive the death penalty since China began the current drive against economic crimes. Li Jingfang, 55, was an accountant at a sub-branch of the Agricultural Bank of China in Wuchuan County, Guangdong Province, south China. He began stealing public funds in December 1978 by getting bank loans in the name of fictitious enterprises, forging money orders and withdrawal slips, and then used the money for speculation and smuggling.

Li was arrested in September 1981. Court investigations, which lasted nine months, found him to be guilty of embezzlement, taking of bribes, speculation and profiteering. Embezzled funds and articles found in his possession and confiscated included 400,000 yuan in cash and more than 600 wristwatches.

STRICT PUNISHMENT URGED FOR ECONOMIC CRIMES

OW231244 Beijing XINHUA Domestic Service in Chinese 0206 GMT 21 Jan 83

["XINHUA Commentator: 'Use the Weapon of Law To Strictly Punish Economic Offenders'" -- XINHUA headline]

[Text] Beijing, 21 Jan (XINHUA) -- Li Jingfang, an accountant at the Hanshui office of a subbranch of the Agricultural Bank of China in Wuchuan County, Guangdong Province, was executed recently for embezzling a huge sum of public funds. He was the second economic offender to receive the death penalty since China began the current drive against economic crimes and following the death sentence given to Wang Zhong, secretary of the Haifeng County party committee, Guangdong Province. The severe punishment meted out against Wang Zhong and Li Jingfang has safeguarded the dignity of the socialist legal system, dealt a heavy blow at economic criminality and will help to basically improve party style and social conduct.

For two years criminal Li Jingfang regarded state funds as his private property. He unscrupulously pocketed a huge amount of public funds. Together with his son and other accomplices, he used the money for speculation and smuggling. His acts disrupted the market and seriously damaged the socialist economy. He also used the ill-gotten money to corrupt other cadres. These facts clearly show that there is still a grave class struggle in the economic sphere which concerns the failure or success of China's socialist modernization. If criminal offenders like Li Jingfang are allowed to embezzle state property and are not punished according to law, and if criminal activities in the economic sphere are allowed to spread unchecked, they will gradually corrupt our party and state and social values, the achievements of socialist construction scored with hard work and frugality by the Chinese people will go down the river, and our great cause of socialist modernization will fail. Under no circumstances should we commit this kind of unpardonable historical mistake.

Whether we can win victory in combating serious economic crimes depends on whether we resolutely use the weapons of law to severely punish the criminals who gravely sabotage the socialist economy. Prison sentences and the death penalty should be meted out according to the merits of the case, and under no circumstances should we apply the policy of benevolence and show kindheartedness to economic offenders.

In China, any act of seizing state property or accepting bribes is considered criminal and must be punished in accordance with the law. When making its criminal law in 1979, China incorporated into it provisions for punishment for economic crimes such as corruption and taking bribes. However, some penalties were softened due to legal experts' limited knowledge and understanding at that time and their inability to foresee the complexity of economic crimes. On the other hand, some state officials have either violated or failed to strictly enforce the law. As a result, some serious offenses have not been duly penalized by the law. The CPC Central Committee timely pointed out the extreme importance of perfecting the socialist legal system in order to ensure the smooth progress of the four modernizations. At the 22d Meeting of the Standing Committee of the NPC held last March, a resolution was passed to add some provisions and make some amendments to the Chinese criminal law.

It clearly stipulates that either life imprisonment or the death sentence shall be imposed on those criminals who seriously disrupt the socialist economic order, and that severe punishment shall be imposed on those government officials who violate the law or commit crimes. This has greatly strengthened the power of the criminal law. Undoubtedly, any criminals who dare to violate laws with provision for capital punishment from now on will be equally subject to the most severe punishments. The bad ending of Wang Zhong and Li Jingfang serves as a warning to economic criminals that the party and government are determined to thoroughly carry out the struggle against economic crimes. From the fate of these two criminals, they should realize that the law of the state is **serious** and merciless and that they should not have the idea of leaving things to chance.

The Fifth Session of the Fifth NPC, which was held recently, adopted the fourth Constitution of the PRC and ushered in a new era in the history of China's building of a socialist legal system. Party, government and law enforcement organizations in various areas should deeply realize the extreme importance of strengthening the socialist legal system, uphold the principles of abiding by the law and strictly enforcing it, and persist in using law as a weapon to combat serious economic crimes in order to consolidate China's socialist system and ensure the smooth progress of the four modernizations.

EDITORIAL STRESSES RULE OF LAW FOR CPC MEMBERS

HK240848 Beijing RENMIN RIBAO in Chinese 24 Jan 83 p 1

[Editorial: "Party Members Must Be Models in Abiding by the Constitution"]

[Text] The question of how to unswervingly implement the new constitution is of universal concern to everyone. Everyone has the duty to uphold the dignity of the constitution and ensure its implementation, and it is first the duty of our party and party members. When the new constitution was promulgated, we spoke in an editorial on the relationship between the CPC and the constitution. It is very important to be clear on this issue. We will further expound on it here.

The population and institution of the new constitution show that the building of socialist democracy and the legal system in our country have entered a new stage. It can be said that with this event China has truly entered a period of the rule of law. Only by undergoing great changes and enhancement in their thinking can the party members conform to this new situation.

It goes without saying that, for historical reasons, the concept of a legal system is rather weak among certain comrades in the party. The party is the leadership core of the people of the whole country and is the governing party. The constitution and the law are also formulated under party leadership. Certain comrades, therefore, harbor the mistaken idea that the party is above the constitution. This is an erroneous notion. The constitution is the fundamental law of the land and possesses supreme authority and legal force. It is true that the constitution was drawn up under party leadership, but following its adoption by the NPC -- the supreme state power organ -- every organization and individual must abide by it, and our party is no exception. Moreover, precisely because the constitution was drawn up under party leadership, it is all the more necessary that the party abide by it in a model way. The constitution is the highest legal expression of the people's interests and will, while the party is the tool of the class and the people. The party's interests are entirely the people's interests, and the party's will is the concentrated will of the people. Apart from this, the party cannot have any special interests and will. Party leadership leads the people to accomplish their own interests and will and to become masters of the country. Abiding by the constitution means being subordinate to the people's interests and will.

It should be pointed out that by saying that the party is above the law, certain people actually mean that power and officials are above the law. If we acted according to this notion, the phenomenon of powers and words replacing the law are bound to appear. This is forbidden by party discipline and state law. The new party constitution stipulates that "the party must conduct its activities within the framework of the constitution and the law." The new constitution stipulates that "all state organs and the armed forces, all political parties and social bodies, and all enterprises, undertakings and organizations must abide by the constitution and the law. All violations of the constitution and the law must be investigated." "No organization or individual may have special powers that transcend the constitution and the law." Every party member must always remember these stipulations.

Many comrades attach much importance to implementing party policies but not much to implementing the law. This too is a habit formed over many years. There is no doubt at all that the party policies must be given great weight. However, we must not attach little importance to the law just because we attach great importance to the policies. Given correct party policies, it is also essential to have laws. Party policies certainly cannot replace the law. If, in China, with its 1 billion people, there is no stable law that everyone must observe, the state will certainly be unstable and socialist modernization cannot be smoothly accomplished. This has already been proven by the experiences of history. In fact, policies and law in China are identical. Law is the finalization of the party's principles and policies; it makes permanent, in the form of law, party principles and policies that have proven correct through repeated testing in practice and that need to be implemented for a long time. In this sense, implementing the law means implementing the party policies. We should put right the notion of setting implementing party policies against abiding by the constitution and the law, change the habit, formed over a long time, of only stressing policies not law, and strictly act according to law.

Certain comrades have the idea that "it is troublesome to carry out the rule of law." In practicing the rule of law, it is necessary to act according to legal procedures; this is of course a bit more troublesome than having everything settled by the word of an individual. However it is wrong to be afraid of such trouble, and moreover the trouble in abiding by the legal system is much less than that of dealing with the trouble caused by sabotage of the legal system. For instance, a criminal case has to go through many procedures between detection and final sentencing; this is indeed very troublesome. However, all these procedures are indispensable for protecting the people and striking at bad people. If we try to save ourselves trouble and fail to strictly act according to legal procedures, we may be turning bad people loose or causing a miscarriage of justice, and we will then have to deal with appeals and carry out rehabilitations and corrections, which will all bring much more trouble. Here we are only talking about a single specific case. If our socialist democratic system is damaged on account of failure to abide by the legal system, the resulting troubles will be beyond reckoning. The constitution became a scrap of paper during the 10 years of internal turmoil. Everyone remembers clearly how that situation of "lawlessness" damaged the state and brought unhappiness to the people.

All Communist Party members must spontaneously become models in upholding the dignity of the constitution and ensuring its implementation. They must resolutely do whatever the constitution stipulates, and do nothing that it forbids. Resolute struggle must be waged against people and deeds that violate and sabotage the constitution. Whether or not the party members take a serious view of the constitution, seriously implement it and uphold it is by no means a small matter. This is not just a question of whether they have the concept of a legal system, but also of whether their party spirit is strong. The people demand the rule of law. Our party is resolved to carry out the rule of law. The party constitution explicitly states that abiding by the state laws is the obligation of party members.

Therefore, in implementing the constitution we are also implementing the party constitution and maintaining political unity with the CPC Central Committee.

EDITORIAL URGES COMBATING DEPARTMENTALISM

HK211558 Beijing RENMIN RIBAO in Chinese 21 Jan 83 p 1

[Editorial: "Resolutely Stop Acts of Wrangling Detrimental to the Overall Interests"]

[Text] Recently, in some of our economic work departments, the matter of wrangling has repeatedly occurred. The highway and harbor departments in Zhicheng, Hubei Province, disputed with each other on deferment of payments of fares in the sum of more than 300,000 yuan. Water-land transshipment was held up as a result of their acts of wrangling. This is a typical example. The state suffered great economic losses because of this incident in addition to odious political influence.

We should draw profound lessons from this incident. We should resolutely oppose selfish departmentalism and decentralism and correctly handle the relations between the part and the whole. Submerging local interests to overall interests is an important principle that we should follow. However, when the local interests conflict with overall interests, some comrades throw overall interests and state interests to the wind. Leading persons of some localities and departments are strongly influenced by selfish departmentalism and decentralism. They only fix their eyes on the interests of their own units. They arbitrarily create obstacles and argue back and forth and dispute over trifles. They scramble to do things which are beneficial to their own units, but evade by excuses or try to muddle through things which are not beneficial to their own units. They refuse to do things which are beneficial to the overall situation and the state when the interests of their departments will be affected. It seems to them that the acts of wrangling may safeguard the interests of their own departments. Actually, it means that sever individualism has raised its vicious head. The broad masses of cadres and people are extremely annoyed at such acts of wrangling.

Selfish departmentalism has a great corrosive and separating effect and will bring severe harm to our socialist revolution and construction. The relations between socialist enterprises are based on comradely cooperation and coordination. When matters arise, they should consult and cooperate with and support each other. On no account should they counteract each other's efforts and shift their own troubles onto others by abusing their own power. Just think: If various departments only pay attention to the interests of their own units and show no consideration for overall interests, if those who are in charge of transportation are allowed to arbitrarily hold up transportation, those who are in charge of electricity and water supply can suspend electric and water supply at their own will and those who are in charge of the building houses are allowed to take advantage of tenants,...does this not mean separationist rule of feudalism and playing the bully? If the situation remains unchanged, what will be the future of our country? How can we create a new situation and realize the four modernizations?

Our state organs and working personnel should serve the people because the power in their hands is conferred by the masses. We have the duty to serve the people, but are not allowed to abuse our power. To ensure smooth progress of the four modernizations, we should strengthen our party spirit and establish an overall point of view. Comrade Mao Zedong pointed out: "If a certain idea is feasible in a locality, but not feasible in light of the overall situation, the part should be subordinated to the whole. Conversely, if a certain idea is not feasible in a locality, but is feasible taking the situation as a whole, the part should also be subordinated to the whole."

We should resolutely stop the acts of wrangling which are detrimental to the overall situation and are divorced from overall interests. We should regard this as an important discipline in the economic departments. If those who are keen on the acts of wrangling refuse the mend their ways after education, we should dismiss them from their leading posts and replace them with those comrades who are willing to sacrifice some interests of their own units, but resolutely safeguard the interests of the state.

Another important lesson which we have drawn from the Zhicheng incident is that although the acts of wrangling occurred in the grassroots units, it was comrades at the upper levels who should be held responsible. At present, in some leading organs the work style of bureaucracy and red tape and other abominable behavior and the practice of being completely irresponsible for work and performing duty negligently and perfunctorily when matters arise severely prevail. Therefore, many problems which should have been settled promptly have remained unsolved for a long time and conflicts have even become more and more acute. The acts of wrangling persisted in the highway and harbor departments in Zhicheng for 2 years and 3 months. During that period, grassroots units concerned and cargo owners repeatedly reported the matter to the leading departments of the central authorities by sending cables and making oral reports. The departments concerned should have promptly adopted measures to seriously solve those important problems. However, some of our economic departments adopted a severe bureaucratic attitude of shirking responsibility onto others or settling the matter by leaving it unsettled. Bureaucracy has separated us from the masses and reality and damped our vigorous revolutionary spirit. As a result, much of the work which we should have accomplished was adversely affected. We should unswervingly carry out severe struggling against such abominable behavior, conscientiously improve our leading style and enhance our work efficiency. We hope that leading comrades at various levels will personally grasp the situation and work together with comrades concerned to conduct investigation and study to solve problems. In particular when they discover key problems, they should grasp them firmly and settle them one by one. Only thus can they create a new situation.

The fact that the accident in Zhicheng was brought to light is a matter of universal educational significance for various localities and departments. We suggest that all departments, economic departments in particular, conscientiously review this matter in light of their own practical conditions and find out whether the acts of wrangling have occurred in their subordinate units and think of a way to stop such behavior. They should carry out discussions to enhance their understanding, improve their work and promote the progress of socialist construction.

EDITORIAL ON RURAL RESPONSIBILITY SYSTEM

HK1501-5 Beijing RENMIN RIBAO in Chinese 22 Jan 83 pp 1, 4

[Editorial: "Stabilize and Perfect the System of Contracted Responsibilities With Payment Linked to Output"]

[Text] Stabilizing and perfecting the agricultural responsibility system continues to be a chief task in our current work in rural areas.

In his report to the 12th party congress, Comrade Hu Yaobang pointed out that "the responsibility system for production set up in various forms in the countryside in recent years has further emancipated the productive forces and it must be adhered to for a long time to come. The thing for us to do is to gradually perfect it on the basis of summing up the practical experience of the masses. In no case must we make rash changes against the will of the masses; still less must we backtrack. This is the guiding idea on stabilizing and perfecting the production responsibility system."

During the past few years, the production responsibility system in our country's rural areas has undergone the following development stages. At first, it was not linked with output, later it was linked with the output of a group of laborers and then to that of a laborer or of a household of laborers. At first, only responsibility for fulfilling output targets was assigned while later overall responsibility was assigned. Now, the system of contracted overall responsibility for production, that is the contract responsibility system linking remuneration of a household with its output has been implemented throughout more than 70 percent of the total number of rural households in our country, and thus become the chief form of the system. It continues to be implemented in the areas where this kind of system has not been implemented and in other rural economic sectors such as forestry, animal husbandry, sideline occupation and fishery. Similar good results have unexpectedly been achieved in its implementing in economically developed areas, such as Jiaxing Prefecture in Zhejiang, Yixing County in Jiangsu and Jiading County on the outskirts of Shanghai. This further proves that the system of contracted responsibilities with payment linked with output is widely adaptable.

Judging by the situation in most areas in our country, the period of great changes in establishing the responsibility system has already passed and the major task in future will be to keep the system relatively stable and to gradually improve it. However, even now the peasants in some areas are apprehensive about change and some cadres are apprehensive about committing rightist mistakes. They doubt whether the system of assigning responsibility to households by contract is a kind of collective economy. We have not yet solved these problems of understanding. Therefore, in carrying out the work related to the study and implementation of the 12th congress documents, we should carry out systematic propaganda and education to deal with these ideological problems of a universal nature. The key to this work is that we should make it clear that the basic system of socialism, that is, the public ownership of the means of production, distribution according to labor and developing economy in a planned manner, must be adhered to and that all forms of the system of contracted responsibility with payment linked with output are forms of management that combine centralized management with decentralized management, while land and other major means of production continue to be owned by the collective. These forms are more favorable to the implementation of the principle of distribution according to labor in distributing our products and for the carrying out of the state's planned management over agriculture. Therefore, the system of responsibility with payment linked with output is a new form of our socialist cooperative economy and a magnificent invention of Chinese peasants under the leadership of the CPC. It differs from either the pattern of "eating from the same big pot" or the small privately owned individual economy. It gives simultaneous play to both the superiority of collectivization and the initiative of the individual and thus blazes a path for developing a socialist agriculture with distinguishing Chinese features. If we clarify these arguments, we will be able to raise the level of understanding of our broad ranks of cadres and masses, unify their thoughts with the line, principles and policies of the CPC Central Committee and make them adhere with full confidence and perfect assurance to continuing to implement and gradually stabilize and perfect the system of contracted responsibility with payment linked with output.

The key to perfection of the system of contracted responsibility with payment linked with output lies in assigning full responsibility. This means that by assigning full responsibility, we satisfactorily handle the relationships between centralism and decentralism and enable decentralized management to be combined with centralized management and individual initiative to be combined with the superiority of collectivization. Thus, we will be able to really achieve the aim of decentralizing what should be decentralized, centralizing what should be centralized, assigning to households the tasks that are more suitable to be assigned to households and organizing teams that are more suitable to be organized.

However, our decentralization should be achieved by means of "assigning full responsibility," while our centralization should also be achieved by means of "assigning full responsibility" in the manner of following a mass line and doing things in accordance with the will of the masses. At present, there are still some communes and brigades which are exercising excessive centralism. These communes and brigades should pay attention to adopting appropriate methods to assimilate the advantages of the system of contracting responsibility to households. Some communes and brigades should do things that the commune members demand be done in a centralized manner in the light of the needs of the development of production. These may include machine plowing, water conservation, plant protection, vaccination, acquiring seeds and developing seeds of good species. They should make appropriate arrangements for these matters and they may assign responsibility for these things to specialized laborers and households and formulate service regulations. In developing forestry and animal husbandry, utilizing barren mountains and valleys and developing other diversified undertakings, they should always pay attention to establishing the system of contracted responsibility with payment linked with production.

The establishment and perfection of the contract system is an extremely important link in perfecting the system of contracted responsibility with payment linked to output. Our agricultural economic activities have never been so universally carried out by means of making contracts since the cooperative movement. The contract system not only promotes the development of production but also plays an important role in changing the work style of the cadres and improving the relations between the cadres and masses. The relationships between the collective and the rural households in terms of power, responsibility and interests are clearly fixed by contracts and the state plans are carried out in the form of signing contracts with peasant households. Contracts are the guarantee for correctly handling the relationships between the state, collective and individual and the implementation of the state plans as well as the concrete embodiment of the production plans and distribution schemes. The economic relations between the state and the peasants become a contractual relation and the process of formulating and carrying out the contracts becomes the process of carrying out and completing the state plans. The contract system combines the enforcement of the state plans with respecting the decisionmaking power of the peasants. As a result, on the one hand it places the production of the rural households under the guidance of the state plans, and on the other hand, it facilitates respecting the decisionmaking power of the peasants. The contracts should provide not only the duties and responsibility of the commune members, but also the obligation of the state and collective in supplying industrial products and means of production and giving rewards to the households. Whenever it is possible there should be requirements on both parties to the contract. In order to ensure the implementation of the contracts, we must satisfactorily implement the job responsibility system geared to cadres and conscientiously reorganize the financial management in our communes and brigades in order to gradually perfect our financial work.

After the implementation of the system of contract responsibility with payment linked with output, our peasants' income has everywhere increased, but the disparity between the income of different peasants will possibly increase too. Particularly, the income of some specialized households is much higher than that of ordinary commune members. We should clarify that at the present stage, the difference in the level of richness and speed of becoming rich between laborers does not run against the law of economic development. The implementation of the principle of distribution according to labor and the development of commodity production is precisely aimed at acknowledging and protecting this disparity. However, under socialist conditions, this disparity in the level of richness and the speed in becoming rich will not give rise to polarization.

On the contrary, it will further raise the production initiative of our laborers and promote a great increase in our social wealth, thus laying a material foundation for all people to become rich. At present, along with the emergence of large amount of surplus labor in our rural areas, a large number of specialized households, households doing specialized jobs and new economic combinations engaged in cultivation, breeding, processing, storing, transportation and marketing will gradually increase. We must vigorously support and encourage them. Of course, we should by no means neglect the work of helping the poor. Concerning those poor households that lack labor or management abilities or have other difficulties, apart from relief from the state, the collective should also give them necessary support through various channels and mobilize and organize the masses to help one another. Some areas have adopted the method of assigning an overall responsibility system to help the poor, established the responsibility system geared to helping the poor and achieved good results. We should pay attention to their experience.

Raising the level of the basic-level cadres is the key to stabilizing and perfecting the responsibility system in the light of our new rural situation. We should systematically train our basic-level cadres, organize them to conscientiously study the series of rural policies formulated since the 3d Plenary Session of the 11th CPC Central Committee, make in-depth investigations and sum up their work experience and raise their level of understanding. All the provincial, municipal and regional CPC committees should call upon the prefectural and county CPC committees to conscientiously and satisfactorily grasp the work of training rural basic-level cadres in order to give further play, through heightening the competence of the basic-level cadres, to the initiative and creativity of the millions of peasants and make our rural economy increasingly prosperous day by day.

XUE MUQIAO ON QUADRUPLING TOTAL OUTPUT VALUE

HK240433 Beijing BAN YUE TAN in Chinese No 1, 10 Jan 83 pp 10-13

[Article by Xue Muqiao [5641 2550 2890]: "Answering Questions on Quadrupling Total Industrial and Agricultural Output Value"]

[Text] In the next two decades it is necessary to work hard to strive for quadrupling the annual total industrial and agricultural output value on the basis of constantly increasing economic returns. This is a grand target put forward by our party. Some comrades and friends both at home and abroad still doubt the possibility of this, or are apprehensive that we will repeat the past mistakes of being overanxious for quick results. It is reasonable for them to have these apprehensions, for it is no easy job to quadruple the annual total industrial and agricultural output value in 20 years. If we do not resolutely carry out the correct policies mapped out since the 3d Plenary Session of the 11th CPC Central Committee, especially since the 12th CPC National Congress, do not earnestly implement the major measures put forth by Comrade Zhao Ziyang at the Fifth Session of the Fifth NPC, and repeat our past mistakes which have been repeated many times before, this grand target is unlikely to be fulfilled. However, if we earnestly do a good job in various aspects in accordance with the policies formulated by the central authorities, I think we are sure to achieve this aim in 20 years.

The error of the "3 years of the Great Leap Forward" was that it required us to make a great leap forward in only 3 years. In particular it required that steel output be doubled each year. This was obviously absurd. Now we require that the output value be doubled in 10 years, with an average growth rate of 7.2 percent. This is not a high demand in view of the concrete conditions of our country. However, since we still have not yet completely fulfilled the tasks of readjusting the national economy, the 7.2 percent increase cannot be achieved in the first 10 years. In this sense, this demand is not low at all.

The key to achieving this aim lies in the first 10 years, especially in the first 3 years, during which we should conscientiously do a good job in various aspects as was pointed out by Comrade Zhao Ziyang in his report, so as to lay a solid foundation for the rapid development in the next 10 years. This is, by no means, an easy job to do.

Let us first have a review of history. Over the past 32 years from 1950 to 1981 since the founding of New China, the total industrial and agricultural output value in our country increased at an average rate of 9.2 percent a year. Not counting the 3 years of economic rehabilitation, which had a higher rate of increase, the average rate also reached 8.1 percent. Of the 32 years, 21 saw an increase higher than 7.2 percent, 1 saw an increase of 7.2 percent and the other 10 saw an increase of less than 7.2 percent. As a matter of fact, in the years 1961 and 1962 after the "3 years of the Great Leap Forward" as well as the years 1967 and 1968 during the "overall civil war" of the "Great Cultural Revolution," a decrease, rather than increase was registered. (There was a decrease of 30.9 percent, 10.1 percent, 9.6 percent and 4.2 percent respectively for 1961, 1962, 1967 and 1968. During the 32 years there were two great setbacks and several small setbacks (in 1974 and 1976). If we had not suffered these setbacks, the rate of increase might have been higher.

Some people have said that there were false figures and exaggerations in past statistics. This time, before the publication of the "China Statistics Yearbook," the false figures have been eliminated through our efforts over the past several years. The "exaggeration" refers to substandard and overstocked products. In the past, these products might have been used to create a false impression of rapid increase. However, from a long-term point of view, they were not helpful to the actual increase, but would reduce the actual speed of increase, for when these products were discovered, the speed of increase was soon affected. For example, there were too many exaggerations during the "3 years of the Great Leap Forward," and the production speed was greatly increased, but in the following 2 years of readjustment, it dropped very quickly. Thus, the average increase rate of these 5 years was only 0.6 percent. If the rapid increase of the following 3 years -- 1963-1965 -- is also taken into account, the average increase rate of the 8 years altogether was only 6 percent, which was lower than the increase rate in all other 5-year plan periods. The statistical figures published this time are those before the year 1981, in which there were less exaggerations. Thus, the average increase rate was not greatly affected.

Some people have said that since the expansion of the base is accompanied with the increase of speed, now that the base has expanded, it is impossible to maintain an increase rate as high as in the past. There is no ground for this view either in theory or in practice. According to Marxist theory, surplus labor (or surplus products) increases along with the development of production. Since more social products have been produced, it is possible that the proportion of consumption is reduced and that of surplus products (accumulation) is gradually expanded. Thus, we shall be able to carry out expanded reproduction with more accumulation and have more time and better material conditions to engage in scientific and technological research so that more favorable conditions will be created for further expanded reproduction. In primitive societies, there were no surplus products and production developed very slowly. It took hundreds of thousands of years for the development from the Stone Age to the Bronze Age and Iron Age. In slave society and feudal society there were a few surplus products, and the production development speed increased a little. However, it also took 3,000-4,000 years for them to develop to the age of the steam engine. In capitalist society, since labor productivity has been greatly raised, there are more and more social products and surplus products. Thus, it is possible to carry out expanded reproduction with sufficient accumulation. As a result of the increase in surplus labor and surplus products, the development of science and technology has also been speeded up, hence the rapid development of production.

The speed of development of productive forces in capitalist society in 200-300 years far exceeds that in slave and feudal societies in 3,000-4,000 years. Even in capitalist society, the speed of production development in the 19th century exceeded that in the 18th century, and that in the 20th century exceeded that in the 19th century. The economic depression in the capitalist world in recent years is a result of the special contradictions of capitalism. It has nothing to do with the big base.

Some people have said that the scientific, technological, and management levels in the developed capitalist countries are obviously higher than ours, but their production is usually higher by an average rate of 3-4 percent or 5-6 percent, which is already considered a high increase rate. How can we develop at a higher rate? My opinion is quite the opposite. The low scientific and technological level and improper way of management just show that we have great potential in increasing production. Provided we study hard their advanced technology and management experiences, we will surely catch up with and surpass them. Do we not see that the development speed of many developing countries has exceeded that of the developed capitalist countries by importing foreign advanced technology? It is especially necessary to point out that the reason the development speed of capitalist countries is so slow is that they cannot find a market for their surplus products which were a result of the special contradictions in capitalist society. Now, in some most developed capitalist countries, a large quantity of funds are unable to find suitable outlets for investment. The utilization rate of machines is about 70 percent and a large number of staff and workers, including scientific and technological workers, are out of work. If these idle productive forces are fully mobilized, production can be increased by more than 10 percent. In our country, things are just the opposite. Instead of being overproduced, our means of production and consumer goods are in short supply. We have a population of 1 billion and our standard of living is very low, so we are not worried about not finding a market for our consumer goods when production increases. Even when these goods are temporarily overproduced, we can solve our problems by raising the people's standard of living. If the means of production are overproduced, they will soon become in short supply when investment is increased. Under the socialist system, the phenomenon of overproduction will never occur. Provided we make a good readjustment of the proportional relations, we will be able to constantly develop production, expand construction in a proportionate way, raise the people's standard of living and bring about a favorable circle of mutual promotion.

There are also examples of doubling output value in capitalist countries. For example, Japan once planned to double its output value in 10 years from 1961 to 1970. However, this was achieved in only 7 years. The average increase rate for the total output value in these 10 years was 11.1 percent. In the 1960's, production in West Germany also increased by more than 100 percent.

The total output value of the Soviet national economy (gross social products) was quadrupled in 20 years from 1956 to 1975, at an average rate of 7.3 percent. However, due to shortcomings in planning and management and the reduction of economic returns, the growth rate was also reduced. Therefore, the Soviet Union found an excuse to cover up its mistakes, that is, the more the base increases, the lower the growth rate should be. We also committed such mistakes in the past. This is why many people have no confidence in quadrupling output value in 20 years. As a matter of fact, if our past mistakes are not repeated in the future, our aim will surely be achieved.

Some foreign friends have said that now that the whole world, including some developing countries and regions which have developed more quickly than other countries, is faced with economic depression, is it possible for China alone to become prosperous? As has been mentioned, the economic depression is a result of the shrinking in the market, which will never occur in China.

The reason for the reduction of speed in production in some developing countries and regions which have developed with a faster speed is that they have developed chiefly by relying on the development of the international market. In many countries and regions, export goods have made up some 40 percent of their total products, so, they cannot extricate themselves from being affected by the international economic depression. Our economy is based on self-reliance, and more than 90 percent of our products are sold in our domestic market. At the same time, most of our export goods are also in great demand in the domestic market. If they cannot be sold abroad, they can be sold at home. Moreover, we can also make use of the opportunity of the international economic depression to import more foreign capital and advanced technology to speed up the development of our domestic economy. The Soviet Union set a precedent in the early 1930's when the world was facing a serious economic crisis. It used this opportunity to import foreign machines and equipment and achieved a rapid development of the national economy. So, it is possible for China to become prosperous alone in the world economic depression.

In order to achieve the great purpose of the quadrupling total output value in 20 years, it is necessary to do a good job in this respect. When talking about fulfilling the "Sixth 5-Year Plan" in an all-round way, Comrade Zhao Ziyang put forth four important measures. If we conscientiously do a good job in these four aspects, we are sure to fulfill or overfulfill the plan of "ensuring 4 percent increase and striving for 5 percent" during the "Sixth 5-Year Plan" period and score greater economic achievements in the "Seventh 5-Year Plan" period. If a solid foundation is laid in the 1980's, we shall be able to achieve as high an increase rate (8-10 percent) in the 1990's as we have ever achieved in the period of normal development. Thus, the task of quadrupling total output value in 20 years cannot only be fulfilled, but also be overfulfilled.

SUN YEFANG'S COURAGE IN STUDYING PROBLEMS NOTED

HK240237 Guangzhou YANGCHENG WANBAO in Chinese 22 Jan 83 p 1

["Special Interview" by Lan Guiliang [5663 2710 5328]: "Sun Yefang Says: When Studying Problems Do Not Be Afraid of Opposition From Others"]

[Text] "When studying problems, do not be afraid of opposition from others." This was the view Comrade Sun Yefang particularly stressed when he gave an interview to this reporter in Beijing in November 1981.

He said that as far back as in the 1950's and 1960's, he put forward the principle and theory that we must pay attention to economic results and profits in our enterprises, but at that time, some people called this view "putting vocational work in command" and regarded it as a "heterodoxy." In 1963 he put forward the idea that we had to pay attention to the technical transformation and renewal of equipment in our old enterprises, transfer some power down to the enterprises, put the provisions for depreciation and the funds for bonuses and welfare under the control of the management of enterprises and allow the enterprises to have certain decisionmaking powers. At that time, some people said that this was an advocacy of the Yugoslavian method of giving autonomy to enterprises.

Sun also mentioned other people's opposition to his views in the past few years. He said that in June 1979 he published in the journal HONGQI an article entitled "Some Ideas Aroused by the Discussion on the Necessity of Reforming the Equipment Management System That Duplicates Out-of-Date Patterns of Equipment and Hinders the Progress of Technology."

In this article, he put forward the view that we should pay attention to the invisible wear and tear -- the devaluation of fixed assets that has nothing to do with visible wear and tear -- and that we should raise the rate of depreciation for our equipment in order to speed up the technical transformation in our enterprises. To counter his view, the financial department wrote five articles. A few years ago, he was opposed by quite a few people, when he put forward the view that we ought not to use the term "tertiary industry," a term frequently used at that time in our press and radio and television broadcasting, because this term embodied a bourgeois economic concept.

Although his views have met with opposition from other people and have been called "unorthodox opinions," Sun thinks that his views conform to Marxism-Leninism and he resolutely refuses to follow the general trend. He declared: "First I will not change my aspirations; second I will not change my profession and third I will not change my views." At the same time, he does not treat the comrades who uphold different views as "dissidents," nor does he put on the airs of being a veteran scholar. On the contrary, he treats these comrades as his friends, warmly exchanges views and discusses problems with them and uses every opportunity to expound his own views to them.

Sun put on his one-inch-thick glasses that are specially made for him, and took from his bookshelf a book entitled "The Adjustment of National Economy and the Reform of Economic Structure." Then he said: "In order to change the form of management structure in which the use value and value are separately managed (the targets related to use value are placed in the charge of the planning department and the targets related to value are placed in the charge of the financial and commercial departments) and encourage people to be particular about economic results, we should start from the most fundamental concepts in our ideology and economics, that is the dual nature of labor and products in terms of value and use value -- the ABC's of political economics."

Concerning the term "tertiary industry," Sun Yefang said laughing: "Some comrades applied this bourgeois concept to our country. In fact, (tertiary industry) is an economic concept that the bourgeoisie put forward for the first time in the 1930's. According to this concept, science, culture, education and other undertakings are treated as constitution a sector of production within the first category. Being Marxists, we must not throw away the fundamental things and ideas of Marxism-Leninism and replace them with capitalist things, though we should not be conservative and should learn some things from foreign capitalists about their enterprise management. If we regard the personnel in our government organizations and PLA and other laborers such as scientists and teachers as people engaged in 'tertiary industry,' we will be using a bourgeois concept." In order to expound on his view, apart from writing an article on it (published in the No 8 issue of JINGJI YANJIU in 1981), he gave a special speech on this problem in September 1981 at Dalian at an annual meeting of the federation of economics societies.

Having heard these words of Sun's, how can people not be moved by his attitude in pursuing academic research without fearing being opposed by other people, and by his virtue and magnitude as a scholar in treating other people on an equal footing.

JINGJI RIBAO VIEWS PLANNING OF SIXTH 5-YEAR PLAN

HK240751 Beijing JINGJI RIBAO in Chinese 10 Jan 83 p 2

[("In Zhongnanhai" column by reporters Wang Zhaodong [3769 2507 2767] and Shi Xichuan [0670 6045 0278]: "The Second Springtime in the History of Planning")]

[Text] On the last day of November 1982, Beijing was bathed in the brilliant sunshine of early winter and the weather was very warm.

Inside the Great Hall of the People, more than 3,000 warmly applauding Premier Zhao Ziyang's report on the Sixth 5-Year Plan. When deliberating the draft of this plan, deputies unanimously said that it was realistic, reliable and feasible. They took it as the first blueprint for realizing the grand strategic objective laid down by the 12th party congress and the current action program for our socialist economic development. This plan gives people confidence, hope and strength. It encourages the people of all nationalities to create new situations and to win new victories.

The Sixth 5-Year Plan is vitally bound up with the immediate and long-term interests of the people. It has a strong appeal to the 1 billion people. While being elated at the plan, people also wish to know how it was worked out.

In the beginning of his report to the NPC session, Premier Zhao Ziyang briefly described the whole course of drawing up the Sixth 5-Year Plan. According to his description, we have interviewed some comrades who participated in the work of drawing up the plan and have acquired more detailed knowledge of this work. We deeply feel that the great blueprint did not come easily. It was on the basis of serious summing-up experiences, extensive investigations and studies and repeated discussions conducted by central and local leading comrades together with tens of thousands of planning personnel, specialists and scholars that the plan was drawn up. It deserves to be called an important milestone in the history of our economy and planning.

What Is the Historical Experience?

The work of drawing up the Sixth 5-Year Plan began in late 1979, that is, a year after the convention of the 3d Plenary Session of the 11th CPC Central Committee. At that time the central authorities pointed out that the "10-year program" drawn up in 1978 for the 1976-85 period unrealistically set targets at too high a level, so the Sixth 5-Year Plan needed to be rewritten. The central authorities also required the planning department and all economic departments to put forward their ideas for the Sixth 5-Year Plan, which should be able to coordinate the development of the national economy, on the basis of seriously summing up the successful and unsuccessful experiences in our economic construction over the past 30 years and comprehensively analyzing the current situation of our economy.

Through summing up historical experiences and analyzing the current situation, comrades in the State Planning Commission noticed that for a long time after the Second 5-Year Plan, major economic targets were all worked out under the "leftist" guideline. In those days, the focus of the party's work in fact failed to be shifted into economic construction; the authorities did not correctly understand economic laws and assess the basic conditions of the national economy; they unrealistically sought high targets, high accumulation and high growth rates and inappropriately expanded the size of capital construction. All this resulted in disproportion in the national economy and the decline in the people's livelihood. The enthusiasm of the masses was badly frustrated. In the first 2 years after the downfall of the "gang of four," we still failed to correctly assess the consequences of the destruction of the 10 years of turmoil and failed to eliminate the influence of the erroneous "leftist" guideline in economic work. Being overanxious for quick results, we again put forth some **unrealistic slogans** and excessively high objectives, and once again inappropriately expanded the size of capital construction beyond the capacity of our country. The major lesson people can draw from these frustrations is that expanding the size of capital construction blindly without considering the state's financial capacity and exclusively seeking high growth rates without regard to economic results will inevitably result in disproportion in the national economy. Through reviewing and analyzing historical experiences, people's minds were aroused and they were determined to work out a realistic plan based on the improvement of economic results and which conforms to the needs and possibility of the development of our national economy.

In April 1980, after intensive preparations, the State Council held a "forum on long-term plans." At the meeting, directives issued by leading central comrades were conveyed. There were two main points: 1) economic results must be taken very seriously and growth should be achieved through the improvement of economic results; and 2) it is necessary to correctly handle the relationship between accumulation and consumption and ensure that the people's livelihood can be gradually improved on the basis of developing production so as to make necessary preparations for further development. At the meeting, people emphatically studied the problems of strengthening construction in the energy and communication fields, speeding up the development of agriculture and light industry and reorganizing the machine building industry by conducting technical transformation. From the very beginning the energy problem attracted attention from the attendants. They came to realize that for lack of reserve resources, the yearly output of crude oil could only be maintained at the level of 100 million tons during the Sixth 5-Year Plan period; and coal production would not grow rapidly in the near future because of the disproportion in mining. Some people of deep insight also predicted that the energy shortage would be a major factor restricting our economic development. After the meeting, the State Planning Commission began calculations according to the attendants' opinions and worked out an outline for the Sixth 5-Year Plan. In July, the State Planning Commission successively rendered reports on its tentative outlines for the Sixth 5-Year Plan to the State Council, the CPC Central Secretariat and the Standing Committee of the CPC Central Political Bureau. In September, it was discovered that there would be more than 10 billion yuan of financial deficits in the 1980 fiscal year and that this constituted a potential danger to the national economy. In December, the CPC central leadership convened a work conference and put forward the principle of further readjusting the economy. The draft for the Sixth 5-Year Plan needed to be restudied in terms of the new conditions.

What We Need Is a Speed That Is Not Exaggerated

After the 1981 Spring Festival, Comrade Zhao Ziyang and responsible comrades of the State Planning Commission who were just appointed to the positions discussed the problem of restudying the formulation of the Sixth 5-Year Plan. Under the guideline of seeking a new way to develop the economy, the State Planning Commission made another round of calculations for the Sixth 5-Year Plan and submitted a report to the State Council in May. In June, the leading comrades led large groups of personnel to make investigations and studies in all parts of the country and collected opinions from local authorities. In early September the State Planning Commission submitted a draft of the Sixth 5-Year Plan to the State Council for deliberation. In early October, a report was submitted to the CPC Central Political Bureau with the speed problem being emphatically studied. Through repeated discussions, the dominant figures in the Sixth 5-Year Plan were basically worked out. That is, agriculture was planned to grow by 4 percent each year and, being restricted by energy (of which the average yearly growth could only be 1.4 percent), the average yearly growth of industry was also planned to be 4 percent. Thus, the plan specified the growth rate of total industrial and agricultural output value as 4 percent and it also required that efforts should be made to achieve a growth rate of 5 percent. This was then simplified into a slogan of "Guaranteeing 4 percent and striving for 5 percent." In discussions, people generally held that a margin should be allowed in planned targets so that the plan might be more reliable and could be overfulfilled in practice. When hearing the report, Comrade Deng Xiaoping emphatically pointed out: There should be no exaggeration. Achieving 4 percent without exaggeration is not simple. Comrade Chen Yun said: A yearly growth rate of 4 percent without exaggeration has staying power.

From spring to summer in 1982, on the basis of summarizing draft plans submitted by various localities and departments, the State Planning Commission successively reported to the State Council on the work of drawing up the Sixth 5-Year Plan. The central topics were how to maintain a basic financial balance and how to raise funds to guarantee the construction of key energy and communication projects. In late July, Comrade Deng Xiaoping talked to the responsible comrades of the State Planning Commission about the Sixth 5-Year Plan and a long-term program. He said: It is necessary to employ funds in a concentrated way. Compared with capitalism, the superiority of socialism lies in that it is able to coordinate all activities of the nation like moves on a chessboard and that key projects thus can be guaranteed. The crux lies in that good preparations should be made in the first decade for the second decade. The preliminary work for major construction projects should be speeded up. Talented people should be reasonably brought into full play. On 1 September, in his report "Creating a New Situation in All Fields of Socialist Modernization" at the 12th CPC National Congress Comrade Hu Yaobang put forth a series of principles and policies for promoting an all-round upsurge of the socialist economy and also set the keynote for the Sixth 5-Year Plan. In mid-September, after studying the State Planning Commission's instruction-requesting report on the financial balance in the Sixth 5-Year Plan, the State Council pointed out that it was necessary to concentrate a certain amount of funds to speed up energy and communication construction in order to enliven the national economy as a whole and this was also a necessary preparation for the economic take-off in the second decade. Only when the economy as a whole is enlivened can development in local areas be consolidated. But the system of retaining certain profits by enterprises would not be changed in the course of concentrating funds. The funds should be collected from various departments' and localities' incomes outside of budgets. By so doing, not only can the initiative of enterprises in developing production be protected, but they can also be mobilized to make more contributions to the state. This decision by the State Council was warmly supported by various departments and localities. Comrade Zhao Ziyang said: "Ours is a big nation and we have a large number of enterprises. When everybody adds fuel the flames rise high." At the national financial conference held in October, the problem of raising funds was smoothly solved. The work of drawing up the draft for the Sixth 5-Year Plan was then also completed. It was submitted to the Fifth Session of the Fifth NPC in late November for deliberation. At group meetings and in the places where deputations were lodged we could hear that deputies were delightedly discussing this plan and unanimously praising it. They contentedly pointed out: "Guaranteeing 4 percent and striving for 5 percent" of the growth rate of industry and agriculture in the period of the Sixth 5-Year Plan fully embodies the spirit of taking two steps in the next two decades without anxiously taking the work in the second decade as the present tasks. By looking back on the history of the first 5-year plans, many old planning workers thought of the current Sixth 5-Year Plan as a rather perfect one which tallies well with our national conditions and which can strengthen the state and enrich the people. The plan fully manifested that the leading comrades of the party Central Committee and the State Council and cadres at all levels had deepened their understanding of the laws governing economic construction and that they have had much richer experience of organizing and leading socialist construction.

What characteristics does the Sixth 5-Year Plan have that make it so exciting and inspiring? To sum up, the targets set in this plan are based on actual conditions but not on some people's wishful thinking. It is focused on the improvement of economic results and steady economy growth is sought on this basis. It strictly controls the size of investment in fixed assets and concentrates funds for strengthening the construction of key projects. It actively promotes technical transformation of existing enterprises. It places the training of professional personnel and the development of science and technology in a strategic position.

It combines the development of the national economy with the development of society and pays equal attention to the building of material civilization and socialist spiritual civilization. This thus greatly enriches the contents of the Sixth 5-Year Plan.

The Returned Swallow Seems To Be Met Before

The planning department is a comprehensive department in the national economy. It coordinates and arranges plans for economic activities of various departments and localities in the macroeconomic area. Comrades working in this department must follow the guiding principles for economic work laid down by leading comrades in the party Central Committee and adhere to proceeding from the actual conditions and working according to one's capacity. When conditions for an affair are available, active efforts must be made to handle the affair well; but they must no longer seek results in an unrealistic way as they did before. When drawing up plans, they must guard against anxiety for quick success and prevent being passive and conservative. How heavy they feel the burden on their shoulders! If the work of keeping an overall balance is not done well and if the national economy is unable to develop harmoniously in a planned and proportional way, the party and the people will not forgive them. Therefore, they must have a high sense of responsibility for the party, the people and the state when calculating each datum and setting each target in the plan. They must repeatedly prove the feasibility of every item and carefully weigh each word in the Sixth 5-Year Plan.

In those days of drawing up the Sixth 5-Year Plan, the lights in the conference room of the State Council and in some offices inside the planning commission building were always on until late at night. Many personnel in various localities and departments also worked day and night. From preliminary discussions to drafting and finalizing the text, it took nearly 1,000 days and nights of hard work to formulate the Sixth 5-Year Plan. The copy of the plan handed over to the recent NPC session for deliberation embodies the fruit of painstaking labor of a vast number of economic workers. They are worthy of being called unknown heroes on the economic front.

On 10 December 1982, the Sixth 5-Year Plan was approved by the Fifth Session of the Fifth NPC. Its excerpts were published in the press 3 days later. It is the first time in 27 years since 1955 when the First 5-Year Plan was revealed to the public that the people were able to read a 5-year plan in the newspapers. "The returned swallow seems to be met before;" the people do have a feeling of meeting something which had been separated from them for a long time. People over 45 all have a deep impression of the First 5-Year Plan, because they really benefited from it in the mid-1950's. Those were really flourishing years and people always deeply cherish the memory of them. When looking back on the experiences of the recent decade, many comrades said with deep feelings: "The First 5-Year Plan was successfully handled, but other 5-year plans that followed were not done well. Now, the Sixth 5-Year Plan, which was recently published, has restored and carried forward the fine traditions. This is indeed hard to come by." People used to liken the First 5-Year Plan to the first springtime in the history of planning in our country. After a quarter-century elapsed, "the spring wind has once again revived the land throughout the country." The Sixth 5-Year Plan has now been carried in the annals of planning as the second springtime. This plan, "which is vitally related to the future of our nation's modernization cause as a whole and to the interests of the people of all nationalities," like spring in nature, will bring gratifying rain and gentle breezes for our new economic prosperity and help us reap rich fruits.

I. 24 Jan 83

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CHINA
PRC NATIONAL AFFAIRS

AFP REPORTS JIANG QING'S FATE TO BE MADE PUBLIC

OW241158 Hong Kong AFP in English 0630 GMT 24 Jan 83

[By Charles-Antoine de Nerciat]

[Excerpts] Beijing, Jan 24 (AFP) -- The fate of Mao Zedong's widow Jiang Qing (?who) received a suspended death sentence two years ago will be made public, official sources said here today.

Communist Party head Hu Yaobang had strongly hinted to a group of foreign journalists here a few months ago that Jiang would not be executed when the suspended sentence runs out tomorrow.

Answering queries here on the fate of Jiang who was generally seen as the mastermind of the radical regime of the 1966-1976 Cultural Revolution, the Foreign Ministry Information Department said: "Our judicial organ will deliver a verdict on Jiang Qing and Zhang Chunqiao in accordance with law, and will announce the verdict."

Hardly any information has leaked out on Mao's widow since the end of the trial. She is alleged to be assembling toys in a northwestern Beijing prison.

TRACKING, PREPARATION FOR FALL OF COSMOS 1402

OW221623 Beijing XINHUA in English 1611 GMT 22 Jan 83

[Text] Beijing, January 22 (XINHUA) -- Chinese satellite tracking network has been following the Soviet satellite Cosmos 1402 in the past few days.

An analysis of the data shows that after the satellite disintegrates, two parts will remain in the air, one part is estimated to land between 04:00 hours and 08:30 hours (Beijing time) on January 24, and the other will land later.

At present, the network is keeping a close watch of the satellite. Meanwhile, Chinese departments concerned have worked out contingency measures to be taken in case radioactive debris of the satellite falls on Chinese territory.

Reentry Prediction

OW232252 Beijing XINHUA in English 2240 GMT 23 Jan 83

[Text] Beijing, January 24 (XINHUA) -- A remnant part of the Soviet satellite Cosmos 1402 will enter the atmosphere over the Arabian Sea (sixty seven point nine degrees east longitude and one point one degrees north latitude) at 6:30 hours (Beijing time) this morning, according to a 5:30 hour forecast by the Chinese satellite tracking network. The other part is still moving around the orbit and is expected to land in mid-February, it said.

CONSTRUCTION OF POWER STATIONS REPORTED

OW211238 Beijing XINHUA in English 1222 GMT 21 Jan 83

[Text] Beijing, January 21 (XINHUA) -- China is now building dozens of power stations with a combined generating capacity of 23,000 megawatts, according to materials released today at a national conference on electric power industry now in progress here. Among them are 35 large projects which have a designed generating capacity of more than 250 megawatts each, according to the release.

Work will start on seven more projects with a joint generating capacity of 1,760 megawatts this year.

This year, power industry will receive a record sum of 5.4 billion yuan of investment from the Chinese Government and it is the industrial sector with the largest in 1983.

In 1982, China produced 325 billion kilowatts hours of electricity and the large and medium-sized generating units that went into operation have a total capacity of 2,138 megawatts. A total of 5,264 kilometers of 110,000-volt power transmission lines were put up, according to the released materials.

China plans to produce 338 billion kilowatt hours in 1983, a four percent increase over the 1982 figure. Large and medium-sized units with an aggregate generating capacity of 3,180 megawatts are expected to go into operation.

According to China's Sixth Five-Year Plan (1981-1985) approved earlier at the Fifth Session of the Fifth National People's Congress, power industry will receive a total of 20.7 billion yuan of investment from the government in this period and the power projects under construction will have a combined generating capacity of 36,600 megawatts, of which units with a generating capacity of 12,900 megawatts are expected to go into operation by the end of 1985.

MARINE ENVIRONMENTAL PROTECTION LAW READIED

OW222122 Beijing XINHUA in English 1500 GMT 22 Jan 83

[Text] Jinan, January 22 (XINHUA) -- China has worked out detailed regulations for the implementation of its first marine environmental protection law, which is to become effective March 1.

An English translation of the law will soon be available. All ships, platforms, aerial aviation machines and underwater vessels must observe this law when engaging in navigation, exploration, resources development, production, scientific research and other operations in marine waters under the jurisdiction of China.

A meeting called by the environmental protection department under the State Council earlier this month decided to launch a publicity campaign for the law, which was approved at the 24th Session of the Standing Committee of the Fifth National People's Congress on August 23, 1982. The law will protect China's marine environment and resources and people's health, prevent pollution-caused damage, preserve the marine ecological balance and promote the nation's oceanological work as a whole.

The meeting, held January 11 to 16 in the port city of Yantai, Shandong Province, examined work for the implementation of the law.

The country has 18,000 kilometers of coastline, a multitude of islands and vast marine waters and continental shelves, with abundant natural resources.

With the approval of the State Council, the Yantai meeting announced, a number of regulations will go into effect along with the marine environmental protection law on March 1. They include a document governing environmental protection for offshore petroleum exploration operations, and regulations concerning the dumping of waste materials in China's seas and prevention of pollution caused by ships.

China has a pressing need to improve its marine environmental protection work, still a "weak link" in its economic construction. Despite progress made over the years, pollution is serious in sea areas off some river mouths, harbors, inland and coastal sea areas.

Participants in the Yantai meeting agreed that it is now time to use the force of law to improve marine environmental protection although China has a good record for oil pollution control in the Bohai and Yellow Seas and in environmental investigations and Inspection in the East and South China Seas.

A number of ships have been refitted for law enforcement purposes.

STATE COUNCIL'S ENTERPRISE CONSOLIDATION MEETING

0W232103 Beijing XINHUA Domestic Service in Chinese 1234 GMT 20 Jan 83

[Text] Beijing, 20 Jan (XINHUA) -- All departments and all localities should consolidate enterprises well in a spirit of reform in the new year. This was a demand by a responsible person of the national leading group for enterprise consolidation in his speech at a work conference of various departments of the State Council on enterprise consolidation today.

He said: In the course of consolidation, an enterprise should not only improve its management and raise the level of its major economic and technical targets, it should also undertake reform and boldly explore new ways to reform its management system in order to truly create a new situation. Enterprise consolidation must be combined with readjustment, restructuring and technical transformation. It is necessary to consolidate and enhance the achievements which we have made in reforming the economic system in the last 2 years. At the same time, it is necessary to initiate new reforms according to the tasks put forward by the central authorities and further promote the development of production in order to create a new situation of enterprise consolidation.

The responsible person set concrete demands for consolidating enterprises well in the spirit of reform.

He said: Internally, an enterprise should, in the course of consolidation, make readjustments and reforms to its management system, organizational structure, product mix, rules and regulations and distribution according to work. In the course of consolidation, all enterprises should work out technical transformation plans, with emphasis put on conservation of energy and raw and processed materials and on upgrading products. We should particularly ensure the successful consolidation of large enterprises. Externally, we should gradually reform the economic system, further delegate and expand the power of management of enterprises to what they should have, handle well the relations between the state and the enterprises, make enterprises work under pressure and yet with motive force and the capacity to undertake technical transformation; and create the conditions for enterprises to further develop. We should resolutely shut enterprises down, or suspend their operation, or amalgamate them with other enterprises, or switch them to manufacturing other products if their consumption of materials is too high, their products are of poor quality, they are poorly managed, or they are blindly built enterprises which contend with advanced enterprises for energy, raw materials and markets. We may also ask some of them to merge and turn losses into profits within a prescribed time.

ANHUI'S ZHOU ZIJIAN ATTENDS AFFORESTATION MEETING

OW210039 Hefei Anhui Provincial Service in Mandarin 1100 GMT 18 Jan 83

[Excerpts] The Anhui Provincial Greening Committee held a province-wide telephone conference yesterday evening. Vice Governor Meng Fulin disseminated the guidelines of the national conference on all-people voluntary tree planting convened by the General Greening Commission.

Zhou Zijian, acting first secretary of the provincial party committee, governor of Anhui and chairman of the provincial greening committee, made a mobilization report at the conference. He called on cadres at various levels, the masses and all trades to promptly become mobilized and make new contributions to promoting socialist economic construction by doing a good job in planting trees and creating a new situation.

The meeting called on various localities to make quick preparations for afforestation including the arrangement of saplings and to start the tree-planting work at an earlier date. It called on people in various localities to do their best to fulfil or overfulfil the task of planting about 100 million trees on a voluntary basis as urged by the central authorities. It also stressed the need to complete the task of afforestation on 1 million mu of land in various localities, the planting of trees on 100,000 mu of land at various state forest stations, the using of airplanes to afforest 350,000 mu of land, the planting of 250 million trees on all available land including near houses, villages, roadside and waterside, and the expanding of nurseries by 220,000 mu of land.

In order to achieve the above-mentioned goal, the meeting called on people in various localities to conscientiously study and understand Comrade Deng Xiaoping's written comments on the all-people voluntary tree-planting campaign stating that we should persist in tree-planting for 20 years, do better and more solid work every year and establish a practical system of inspection, reward and punishment in order to ensure effectiveness for the period of time.

BRIEFS

SHANDONG RAILWAYS CONSTRUCTION -- Jinan, 17 Jan (XINHUA) -- Tracks are being laid for a railway linking Yanzhou, a coal mining center, and Shijiusuo, a coal export harbor, in Shandong Province. The 310-kilometer railway, which will run through the southern part of the province, is expected to link up in the West with the Tianjin-Pukou railway -- China's main north-south trunk line. Construction began in April, 1981. Construction of the deep-water Shijiu Harbor on the Shandong coast is also progressing rapidly. A 100,000-ton-class berth and a 25,000-ton-class berth will be built in the first stage of the harbor project. When completed in 1985, they are expected to handle 15 million tons of coal for export annually. [Text] [Beijing XINHUA in English 0802 GMT 17 Jan 83 OW]

SHANGHAI 1982 AGRICULTURAL PRODUCTION -- Achievements in 1982 production have been reported from Shanghai's suburbs. Grain production totals 4.06 billion jin, or 355 million jin more than 1981. Although cotton acreage is 124,000 mu less than 1981, the total cotton production still exceeds the 1981 level by 35,600 dan. Output of oilseed hit an all-time high and is up by 15.9 percent compared with 1981. Vegetables supplied to the market surpass the 1981 records by 46 percent. Increases in pigs, poultry, eggs and milk supplied to the market compared with 1981 ranged from 7 to more than 10 percent. The 1982 total industrial output value of enterprises run by communes, production brigades and teams is estimated at approximately 4 billion yuan, an increase of 10 percent over 1981. [Shanghai City Service in Mandarin 2300 GMT 24 Dec 82 OW]

HENAN'S LIU JIE ATTENDS HUANG HE GATHERING

HK210234 Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 20 Jan 83

[Summary] A gathering to sum up experiences and commend models in controlling the Huang He, convened by the Ministry of Water Conservancy and Electric Power's Huang He Water Conservancy Commission, opened in Zhengzhou on 20 January. Over 800 persons including representatives of progressive collectives, labor models, progressive producers, and leading cadres of departments concerned from Qinghai, Gansu, Ningxia, Nei Monggol, Shaanxi, Shanxi, Henan and Shandong are attending the gathering.

Present at the opening ceremony were Henan Provincial CPC Committee First Secretary Liu Jie, Vice Governors Yue Xiaoxia and Cui Guanghua, provincial federation of trade unions Chairman Sheng Wan, and China Water Conservancy and Electric Power Trade Union Vice Chairman (Liu Peihang). Huang He Water Conservancy Commission Chairman (Yuan Long) delivered a report.

HENAN'S LIU JIE ON PROMOTION OF LEADING CADRES

OW10201 Beijing XINHUA Domestic Service in Chinese 0726 GMT 18 Jan 83

[Excerpts] Zhengzhou, 18 Jan (XINHUA) -- While recently mobilizing party and government organs directly under the provincial authorities to streamline organizations, Liu Jie, first secretary of the Henan Provincial CPC Committee, emphatically pointed out: It is necessary to boldly assign to leading posts at all levels those who have both ability and political integrity, are in their prime, have received a high school education, particularly a college education, and give them a free hand in their work. He said: Of course, it is impossible for fine middle-aged and young cadres among intellectuals to have the same rich leadership experience as veteran cadres. However, experience can be accumulated through practice.

Liu Jie noted: It is necessary to treat intellectuals justly. He said: Generally speaking, cadres who have real ability and learning and can create a situation are people who seek truth from facts. They will not easily give up the ideas they express after long deliberation. Their confidence in themselves is indispensable to the success of an undertaking. Their self-confidence cannot be regarded as "arrogance and complacency."

Liu Jie also emphatically pointed out: It is necessary to enthusiastically help those comrades who are in their prime and have the experience of leadership but lack scientific and cultural knowledge to fully understand the importance of scientific and cultural knowledge, and be determined to let them temporarily leave their work posts in 2 to 3 years to raise their scientific and cultural levels.

BRIEFS

GUANGDONG INDUSTRIAL, COMMERCIAL TAXES -- In 1982, Guangdong Province collected industrial and commercial taxes of some 3,389 billion yuan and overfulfilled its annual quota by 2.6 percent. The industrial and commercial taxes collected in the province last year were some 380 million yuan more than in 1981, an increase of 13 percent. The taxes collected in Guangzhou City and Foshan, Shantou, Huizhang, Meixian, Shizhuan, Zhaoqing and Zhanjiang Prefectures in 1982 were more than those in 1981. The taxes collected in Hainan Administrative Region, Hainan Li-Miao Autonomous Prefecture, Shaoguan City and Zhuhai City in 1982 increased by some 10 percent. The taxes from retail sales and from communications and service trades in 1982 increased by nearly 90 million yuan. The industrial and commercial taxes collected by the customhouse and the taxes levied on foreign firms in 1982 were some 15 million yuan more than in 1981. In 1982, the province recovered 40 million yuan in evaded taxes and tax arrears. [Guangzhou Guangdong Provincial Service in Mandarin 1100 GMT 13 Jan 83 HK]

I. 24 Jan 83

PRC REGIONAL AFFAIRS
SOUTHWEST REGION

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XIZANG'S YIN FATANG AT RALLY FOR PROGRESSIVES

HK210833 Lhasa Xizang Regional Service in Mandarin 1130 GMT 20 Jan 83

[Text] The second regional rally to name and commend the new long march, shock workers and shock force, advanced CYL branches and model CYL cadres opened in Lhasa on the afternoon of 20 January. Representatives of young people of all nationalities attending the rally have come from all fronts throughout the region, representing some 300,000 young people and CYL members in our region.

Responsible comrades of the region, including Yin Fatang, Basang and Son Ziyuan, attended the rally and cordially shook hands with some representatives on the rostrum.

At the rally, (Wu Yuping), regional CYL committee deputy secretary, conveyed the spirit of the 11th CYL Congress. He said that study and implementation of the spirit of the 11th CYL Congress is the concrete study and implementation of the spirit of the 12th party congress by the CYL members and young people. At present, the task confronting CYL organizations at all levels in our region is to immediately go into action, to organize the CYL members and young people to whip up an upsurge in universally and penetratingly studying and publicizing the spirit of the 11th CYL Congress in a down-to-earth manner and to struggle hard to create a new situation in our region's youth work. At the 1st Plenary Session of the 11th CYL Central Committee, Comrade Hu Yaobang pointed out that young comrades must surpass the older generation. We must firmly remember these words and struggle hard with practical actions. In the course of our work, we must learn from and really surpass the older generation. We must constantly push our great cause forward.

At the rally, (Li Jia), regional CYL committee deputy secretary, conveyed Comrade Hu Yaobang's important speech at the 1st Plenary Session of the 11th CYL Central Committee.

BRIEFS

XIZANG PREFECTURE HARVEST -- The cadres and the masses in Xigaze Prefecture in Xizang Region overcame serious natural disasters and reaped a good harvest of agriculture, live-stock and sideline products this year. According to preliminary statistics, for this year the region's total output of grain and oil reached 315 million jin, the amount of livestock on hand amounted to 5.07 million head and total income from sideline production may reach 30 million yuan. This year, the prefecture suffered drought seldom seen in the past dozens of years. Many places in the prefecture had plant diseases, insect pests, snow, hailstorm and floods. [Lhasa Xizang Regional Service in Mandarin 1130 GMT 15 Dec 82 HK]

KUNMING MUNICIPALITY INDUSTRIAL PRODUCTION -- Kunming Municipality in Yunan Province fulfilled the quota for its annual total industrial output value 20 days ahead of schedule. By 10 December, the municipality's total industrial output value reached 1.682 billion yuan and was 5.3 percent more than in the entire 12 months of 1981. The profits made and submitted during this period were much more than in the same period last year. By the end of November, 14 units in the municipality had fulfilled their annual production quotas ahead of schedule. [Kunming Yunnan Provincial Service in Mandarin 2305 GMT 15 Dec 82 HK]

NEI MONGGOL: BU HE APPOINTED ACTING CHAIRMAN

SK150822 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 14 Jan 83

[Text] On the morning of 14 January, a rally of leading cadres of all regional-level departments, commissions, offices and bureaus was held to warmly welcome Comrade Bu He, who was appointed acting chairman of the regional people's government.

First of all, Comrade Kong Fei read the resolutions of the fifth regional people's congress standing committee on the appointment and removal of Comrades Kong Fei, Bu He, Yun Shiyang and Batu Bagen.

He said: I am 71 years of age now. In order to have our revolutionary undertakings flourish, an energetic young cadre who possesses ability, political integrity and revolutionary, educational and professional qualifications should be selected and promoted to be the chairman of the regional people's government.

I am happy that the regional people's congress standing committee approved my sincere request to resign from my post as chairman.

Kong Fei said: Though resigning from the post of chairman, I, as a party member, will try my best to do the work assigned by the party in my remaining years and fight all my life for the undertakings of the party and revolutionary cause.

Amid warm applause, acting chairman Bu He made a speech. He said: The party and the people have provided me a chance to nurture myself and placed their confidence in me by assigning me this heavy responsibility. I will do my best to work together with comrades to carry out the tasks.

Bu He said: Basic guarantees for the fulfilment of all our undertakings are the guidance of the guidelines of the 12th party congress; the correct line, principles and policies of the party; and the leadership of the CPC Central Committee, which is the best party Central Committee since the founding of the PRC.

Leading bodies of our region are united and full of fighting capacity. This is a favorable condition for the development of all our undertakings. There are a number of tried, veteran comrades in our region and they have rich work experience. With their help, we will have better conditions for carrying out work. With these favorable conditions, I am full of confidence about our future work.

In his speech, Comrade Bu He reviewed the work of the previous regional people's government, reaffirmed its achievements and expressed some opinions on the work in 1983.

He said: We should conscientiously continue to study the documents of the 12th party congress to upgrade our consciousness in implementing the congress guidelines, to integrate theory with practice and to bring what we have learned into full play. Leaders at all levels should give first priority to this.

Second priority should be given to reform work. At present, attention should be paid to restructuring administration and to promoting young and middle-aged cadres to leading posts at all levels. That is, attention should be paid to the promotion of intellectuals.

All departments and leaders at all levels must overcome the influence of the wrong leftist ideology with regard to despising knowledge and intellectuals.

Third priority should be given to economic construction and to successfully implementing the responsibility system in order to improve economic results. All public security, scientific and technical, and cultural and educational fronts as well as economic departments should enact the responsibility system, centering on tackling the problems of everybody eating from the same big pot, the iron rice bowl and ideological egalitarianism.

Fourth priority should be given to changing the leadership workstyle and to practicing unity. Especially, leaders in all departments should take the lead in practising unity and go deep to the front-line posts to thoroughly sum up experiences and to give directions for the development of all undertakings.

Hao Xiushan, vice chairman of the regional people's government, presided over today's rally of cadres. Comrade Peng Mengyu relayed plans for some relevant work.

NEI MONGGOL'S ZHOU HUI ATTENDS CLASS GRADUATION

SK210541 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 20 Jan 83

[Text] The first training class run by the Nei Monggol party school for middle-aged and young cadres has completed its course. A total of 146 students successfully wound up their studies.

The training class was set up in accordance with the requirements set by the autonomous regional CPC committee with regard to the training of middle-aged and young cadres. In the past year, the students systematically studied five courses -- philosophy, political science, scientific socialism, policies and theories on nationality and the history of the CPC. They further eliminated the influence of leftist ideology and enhanced their understanding of Marxist-Leninist theories and their capacity for analyzing problems.

The students were recruited on the basis of examinations from among candidates recommended by their respective units. Their average age is 37. Most of them are leading cadres from various fronts. Being relatively highly educated and rich in experience, they made good progress in the study.

On 20 January a graduation ceremony was held for the first group of students. Zhou Hui, first secretary of the Nei Monggol Autonomous Regional CPC committee and president of the Nei Monggol party school and deputy secretaries (Xu Shengrong) and (Liu Guiqian) attended the ceremony to congratulate the students.

Comrade Zhou Hui said that he hopes the students will acquire more practical and effective training in the process of replacing old cadres with younger ones, will enrich their knowledge, will enhance their ability and work hard to create a new situation and will fulfill the general task of the new period.

BRIEFS

NEW BEIJING RAILWAY STATION -- Beijing, 14 Jan (XINHUA) -- A new railway station will be built in the Chinese capital to alleviate the pressure of the increasing number of passengers upon the capital, according to today's PEOPLE'S RAILWAY a paper run by the Ministry of Railways. The new railway station will be located in the southwestern part of Beijing, 6 kilometers from the center (Tiananmen Square) of the city and 10 kilometers from the existing Beijing railway station. Pre-construction work will soon begin, the paper said, and the new station is scheduled to be completed by 1987. The new facility will be similar to the present Beijing railway station, in terms of floor space and passenger volume to be handled. At present, there are three railway stations in Beijing -- the Beijing railway station in the east, the Yongdingmen railway station in the south and the Xizhimen railway station in the north. They handle an average of 80,000 outgoing passengers each day and 120,000 passengers at peak times. The Beijing railway station alone handles 60,000 passengers each day and 80,000 passengers at peak times. It is estimated that by 1985, the passengers will grow to about 110,000 on ordinary days and by 1990, to 140,000. [Text] [Beijing XINHUA in English 1118 GMT 14 Jan 83 OW]

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